



July 2007

Ohio FSA State Newsletter

DCP Enrollment Deadline Extended

Producers have until August 3, 2007 to enroll in the 2007 Direct and Counter-Cyclical Program (DCP). Computer problems have caused application processing delays which prompted the enrollment deadline extension for 2007. The late-file fee of \$100 will only be assessed for farms that are enrolled after August 3, 2007 and before September 30, 2007.

Advance direct payments for the 2007 crop year are 22%. Advance payments may be requested in any month starting with December 2006. The remaining final direct payment of 78% will be issued to participating producers in October of 2007.

Contact your local FSA office to setup an appointment or you can go on-line and electronically submit the eDCP contract. The eDCP website is available at:
<http://www.fsa.usda.gov/FSA/webapp?area=online&subject=landing&topic=dcp>.

Farm Reconstitutions

In Farm Service Agency terms, farms are **constituted** to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm **reconstitution** is necessary.

The reconstitution (recon) is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested **by August 1, 2007** for farms enrolled in the Direct and Counter-cyclical Payment Program. If 2007 DCP direct payments have already been issued on the farm, the reconstitution will be effective for 2008 unless the payments are refunded.



Maintaining Stored Grain Quality

Due to the recent high temperatures producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

COC Candidates Sought

It will soon be county committee election time, and the Farm Service Agency (FSA) is actively looking for producers to be candidates for the local FSA county committee.

Your county committee members perform an important function. They represent you and your agricultural interests. They help shape how federal farm programs from Washington are implemented on the ground in local communities. Do you know someone that would make a good county committee member? How about someone that would be able to represent you and your farming interests, as well as your neighbor's interests?

Why not talk to that person and ask if he or she would be willing to serve on the county committee? If he or she says yes, then have the individual fill out a nomination form (FSA-669), sign it and return it to the county office. The form is available at the county office or online at:
http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a.pdf

Can't think of another producer to nominate or your prospective nominee turns you down, why not nominate yourself? Serving on the committee will take, on average, one day a month, and you will be able to provide your agricultural community a vital service. Committee members are reimbursed for travel expenses and are paid at the rate of a GS-6, step 1, currently \$13.69 per hour with a possible locality adjustment depending where you work.

Visit with your local Farm Service Agency county office staff for more information about this year's county committee election.

Visit our website at:
www.fsa.usda.gov/OH

Farm Storage Facility Loans

Low interest rate loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, soybeans and corn.



The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures.

All Farm Storage Facility Loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

ECP Assistance

A lack of moisture, over an extended period of time, has caused producers to suffer from the effects of severe drought conditions. Farms experiencing severe drought conditions may be eligible for cost-share assistance under Emergency Conservation Program (ECP). This disaster program provides cost-share assistance if the damage is so severe that water available for livestock or orchards and vineyards has been reduced below normal to the extent that neither can survive without additional water.

A producer qualifying for ECP assistance may receive cost shares not to exceed 75 percent of the cost of installing eligible temporary measures. Cost sharing for permanent measures is based on 50 percent of the total eligible cost. Cost-share assistance is limited to \$200,000 per person per natural disaster. Approved practices and measures may include:

- Installing pipelines or other facilities for livestock water or existing irrigation systems for orchards and vineyards,
- Constructing and deepening wells for livestock water, and
- Developing springs or seeps for livestock water.

To be eligible for cost shares, practices shall not be started until a request has first been filed at the FSA county office and an onsite inspection of the problem area has been made by COC or its representative. COC will review the inspection findings when considering the request for cost shares.

Producers who have experienced severe drought conditions requiring outside assistance to provide supplemental emergency livestock water can contact the local FSA office.

2007 Compliance and Spot Check Review

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.

Preventing Fraud, Waste

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.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision or hearing impairment. If accommodations are required, individuals should contact the County Executive Director of their local Farm Service Agency office.



Removing CCC Loan Collateral

Producers are reminded, if you have grain under Commodity Credit Corporation loan it cannot be removed or disposed of without prior county office staff authorization or repayment. The county office staff may issue release authorizations based on a telephone or in person request when you are ready to move the grain. A loan violation is subject to monetary and administrative penalties, such as repaying the loan at principal plus interest, liquidated damages, calling the loan and denial of future farm-stored loans and loan deficiency payments.

All commodity loans are subject to spot check. Locking in a market loan repayment rate is not a marketing authorization. If you are planning to move CCC loan grain, call the county office staff, before you HAUL!

Selected Interest Rates for July 2007	
90-Day Treasury Bill	4.875%
Farm Operating Loans — Direct	5.125%
Farm Ownership Loans — Direct	5.375%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency Loans	3.750%
Farm Storage Facility Loans	5.000%
Sugar Storage Facility Loans	5.250%
Commodity Loans 1996-Present	6.000%

Beginning Farmers, Ranchers

Are you a farmer or rancher who has substantially participated in the farming operation for at least three years but no more than 10 years? If so, you may qualify for beginning farmer targeted loan funds with the Farm Service Agency.

The program is designed to assist these farmers by providing direct and guaranteed loans when they are unable to obtain financing from commercial credit sources.



If you believe this program could be of benefit to you, please contact the county office for more information. FSA loan officials will be happy to arrange an appointment to meet with you and discuss your options.

Mid-Contract CRP Cover Management

The Ohio Farm Service Agency (FSA) and Natural Resources Conservation Service (NRCS) have developed Mid-Contract Management Assessment teams. The teams will include the NRCS, Fish and Wildlife Services (FWS), Ohio Department of Natural Resources (ODNR) and Pheasants Forever (PF). The teams will complete site evaluations of each CRP grass practice and determine the appropriate Mid-Contract Management activity based on the existing cover.

So how will this State Management team have an effect on CRP participants? Well, all CRP participants with contracts effective beginning with sign-up 26 are required to perform management activities as part of their approved conservation plan. All CRP participants with contracts before sign-up 26 can perform management activities, voluntarily. If participants voluntarily request to revise the conservation plan, the management activities will be the same terms and conditions established for the required management activities.

Required activities shall be designed to ensure plant diversity and wildlife benefits, while ensuring protection of the soil and water resources. Management activities are designed to be site specific and used to enhance the wildlife benefits for the site. Cost-sharing, up to 50 percent is available for most management practices.

Management activities must not be performed during the primary nesting period or brood rearing season, which in Ohio is **March 1-July 15**. Failure to perform planned management activities can result in contract violation.

For CRP sign-up 26 and 27 participants, the local FSA office will be contacting you later this summer to schedule a time to review the management teams' recommendations for mid-contract management on your practice acres.

Contact your local FSA County office for details concerning your mid-contract CRP cover management activities.

FSA Farm Loans

The Farm Service Agency makes both direct and guaranteed farm ownership and operating loans to family-size farmers who cannot obtain commercial credit from a bank, Farm Credit System institution or other lender. FSA loans can be used to purchase land, livestock, equipment, feed, seed and supplies. The loans can also be used to construct buildings or make farm improvements.

If you're having trouble getting commercial credit, check with the FSA county office staff about loan eligibility, as well as maximum loan amounts, rates, term and use of proceeds. Our loan officials will welcome your interest.

Controlled Substance

Any person who is convicted under federal law of planting, producing, cultivating, harvesting, growing, or storing a controlled substance will be ineligible to participate and receive payments under USDA programs. Marijuana, opium poppies, and other drug producing plants are controlled substances.

Dates to Remember

July 16	Final Acreage Reporting date for all crops except small grains.
August 1	Last day to file County Committee Nomination forms.
August 1	Final date to request farm reconstitution for current fiscal year.
August 3	Sign-up ends for 2007 Direct and Counter-cyclical Payment Program.
Sept. 4	Labor Day Holiday. FSA Offices Closed.
Sept. 29	Last day for late file sign-up for the 2006 DCP program. \$100 late fee.
Sept. 29	Final date for the 2006 DCP contract revisions.
Continues	Farm Storage Facility Loans.
Continues	Grasslands Reserve Program.
Continues	Continuous Conservation Reserve program.

Visit our website at: www.fsa.usda.gov/oh

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