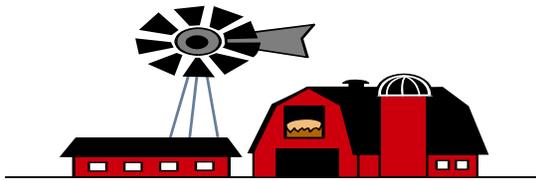


# ***SURRY COUNTY FSA NEWSLETTER***

**JULY 2007**



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**COMMITTEE MEMBERS:**

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TROY L. BRYANT, VICE CHAIRPERSON  
CHAD KEITH CHILTON, REGULAR MEMBER  
WILLIE LEE CROPPS, COC ADVISOR  
POLLY PRATT, COC ADVISOR**

**ISSUE HIGHLIGHTS:**

**Crop Disaster Program  
County Committee Nominations  
Direct and Counter-Cyclical Payments (DCP)**

**TOM BRANCH, PROGRAM TECH Ext. 110  
LHEANNE M. DANIELS, PROGRAM TECH Ext. 100  
CHRISTINE LAMBERT, PROGRAM TECH Ext. 112  
  
VICKIE YOUNG, FARM LOAN MANAGER Ext. 117**

**DIRECT AND COUNTER-CYCLICAL PAYMENTS (DCP)**

Producers normally have until **June 1, 2007**, to enroll for the 2007 DCP. However, because of issues related to performance of the web-based system, the deadline for enrollment in DCP has been extended to **August 3, 2007**. Late-filed applications will be accepted through **September 30, 2007**, if accompanied by a \$100 late fee. Producers are reminded that there are restrictions to planting fruits and vegetables and wild rice on contract acreage. Surry County is considered a double-cropping region for wheat, barley and oats followed by soybeans. Farms that have DCP contracts and are reconstituted may be enrolled by the later of either August 3 or 30 calendar days following notification of the reconstitution, Producers receiving a DCP payment must sign a CCC-509, AD-1026, CCC-502 and CCC-526 before payment can be made. DCP payments are calculated as follows: base acres times 85 percent times applicable payment yield times applicable payment rate times producer payment share.

**CROP DISASTER PROGRAM**

On May 25, 2007, President Bush signed into law the "U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007." The 2007 Act provides approximately \$3 Billion in agricultural disaster aid for America's farmers and ranchers. Specifically, the 2007 Act provides funds for a Crop Disaster Program (CDP). CDP provides benefits to farmers who suffered quantity and quality losses from natural disasters and related conditions that occurred in 2005, 2006 and for 2007 crops if the crop was planted before February 28, 2007.

Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits. Producers must have suffered quantity losses in excess of 35 percent to be eligible for CDP. The payment rate is set at 42 percent of the established price. Assistance, together with any crop insurance or NAP payment received for the same crop and including the value of the crop production not lost, must not exceed 95 percent of the total value of the crop absent the disaster. Farmers may receive a maximum of \$80,000 in CDP benefits.

**USDA will announce and conduct sign-up for CDP as soon as possible. Producers will be able to enroll in CDP at their local FSA Service Center.**

**PREVENTED PLANTING**

Prevented planting needs be reported no later than 15 calendar days after the final planting date.

**FAILED ACREAGE**

Reports of failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

### **MAINTAINING CRP COVER**

CRP cover maintenance is the participant's responsibility and must be done according to the conservation plan. All CRP maintenance activity, such as mowing, burning and spraying, must be conducted outside the primary nesting season for wildlife and in accordance with the conservation plan. Spot treatment of the acreage may be allowed during the primary nesting season if certain criteria are met. The ending date for the primary nesting season in North Carolina is September 15.

### **NONINSURED ASSISTANCE PROGRAM (NAP)**

November 20<sup>th</sup> is the NAP Application closing date for the following crops: Alfalfa, Apples, Blackberries, Blueberries, Caneberries, Grapes, Grazing (Grass/Mixed Forage), Hay (Grass/Mixed Forage), Honey, Lespedeza, Peaches, Pecans, Plums, and Raspberries.

### **ATTENTION SOCIALLY DISADVANTAGED FARMERS**

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches. While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders. If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

### **TOBACCO TRANSITION PAYMENT PROGRAM (TTPP) CONTRACT TRANSFERS**

The FSA office will accept transfer requests submitted on form CCC-971 with supporting documentation as applicable through **November 1 2007**. Transfers received on or before November 1, 2007 will be effective for the 2008 payment. Tobacco quota holders and producers are also reminded that they have until November 1, 2007 to sell their remaining seven annual payments to a successor in order to receive a lump-sum payment.

### **FARM RECONSTITUTIONS**

A farm reconstitution is a change in the land constituting a farm as a result of combining or dividing farms or tracts of land. The parent farm owner and purchaser have the option to use the designation by landowner method to divide the contract acres, allotments or quotas. Both the seller and purchaser must sign a FSA-155 or a memorandum of understanding to utilize this option. A deed is not a memorandum of understanding. All reconstitutions must be requested by **August 1, 2007**.

### **FSA SIGNATURE REQUIREMENTS**

Proper signatures on Farm Service Agency contracts, applications and forms must be submitted before the document will be considered as filed. All entities, including revocable and irrevocable trusts, corporations, partnerships, estates, etc., must provide evidence of signature authority stipulating those individuals who are authorized to represent the entity. FSA cannot accept signatures without such documentation on file. Examples of acceptable evidence include trust agreements, corporate charters or resolutions, partnership agreements and court orders of appointment. Spouses can sign for one another on most program documents unless written notification denying a spouse this authority has been provided to the county office staff. An FSA-211 may be filed to delegate signature authority for FSA program purposes to another individual.

### **MARKETING ASSISTANCE LOANS & LDPs**

To be eligible for loans or LDPs, you must comply with conservation and wetland protection requirements; beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets CCC minimum grade and quality standards. Requesting LDPs has been made easier with the CCC-633 EZ. Complete page 1 of the EZ form indicating your intention to receive LDP benefits **before** losing beneficial interest. Once you've signed the EZ form you can submit an LDP request at any time during the loan availability period — before or after losing beneficial interest. When it comes to loans, you must have beneficial interest in the commodity on the date you request the loan, and you must retain beneficial interest while the loan is outstanding. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest. For commodities to be eligible for loans or LDPs, they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. Individuals and entities whose previous 3-year average adjusted gross income, or AGI, exceeds \$2.5 million are ineligible for LDPs and market loan gains unless they can show that at least 75 percent of their AGI comes from agriculture. The total of LDPs and market loan gains received by a producer is limited to \$75,000 for each crop year.