



August 27, 2007

YAKIMA COUNTY FSA NEWS

Yakima County FSA

1606 Perry Street, Suite A
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Office Hours

Monday – Friday
8:00 AM – 4:30 PM

County Committee

Nadeen Boyle, Chairperson
Linda North-Spaulding, Vice-Chair.
Daniel T. Martinez, Member
Gilbert Gonzalez, Jr., Advisor
Jose Guzman, Advisor
Carol Hull, Advisor

Office Staff

Raquel Calderon, PT
Sandy Christensen, PT
Jennifer DeWeese, PT
Sherry Fadden, PT
Crispin Garza, SCL
Brian Miller, CED
Kim Miller, PT
Lisa Ruff, FLM
Scott Smith, FLO

Next COC Meeting

August 28, 2007
9:00 AM

Dates to Remember

- August 31- NAP Application Deadline
- September 30- Emergency Loan deadline

FSA Web Sites

State- <http://www.fsa.usda.gov/wa>
National- <http://www.fsa.usda.gov>
USDA- <http://www.usda.gov>



2007 GRAIN LOANS AND LDP'S

All wheat, corn, barley, oats and grain sorghum are eligible for price support benefits for 2007.

Producers have a choice between taking out a regular 9-month Price Support Loan or receiving a Loan Deficiency Payment (LDP). The provisions for each are as follows:

LDP- Loan Deficiency Payments (LDPs) are not a loan they are a price support payment. LDP's can be made when the Posted County Price (PCP) falls below the county loan rate. There is a \$75,000 per person LDP payment limitation. Producers can check the LDP rates daily on the Internet at the following address: <http://www.fsa.usda.gov/dafp/psd/ldp/>

Producers must make an application for LDPs on form CCC-633EZ. The CCC-633EZ is a two-part form. By signing **Page 1** of the form before losing beneficial interest in the crop, you maintain your eligibility for LDP benefits. **Page 1** of the form only needs to be signed one time each crop year and covers all crops eligible for an LDP.

Page 2 of the CCC-633EZ form is filed when you are making your request for an LDP. **Page 2** must be submitted before the crop is sold to "lock-in" an LDP rate for a specific date. If **Page 2** is submitted after the grain is sold the LDP rate will be the rate in effect in the "administrative county" on the date title to the crop passed.

eLDPs- Producers also have the ability to complete their LDPs online on the internet with an eLDP. eLDPs are available to producers who have established a "Level 2" internet user account with USDA. In addition, the County FSA Office must establish an LDP "customer profile" before the online eLDP application is made.

To start the process, complete your online program registration by accessing <http://www.eauth.egov.usda.gov> This will allow you to access your personal payment information, enroll in the Direct and Counter-Cyclical Program (DCP), apply for Loan Deficiency Payment payments and other programs. Call our office for more information regarding "on-line" pro-

gram availability or visit FSA's Web site at: www.fsa.usda.gov

PRICE SUPPORT LOANS-

Regular 9 month loans on warehouse or farm stored grain at a reasonable interest rate (currently 6.0 %) can provide an excellent marketing tool for producers who wish to hold their grain for sale at a later date. The loan can be repaid at any time, and the repayment will be the lesser of the Posted County Price (PCP) or principal plus interest. The grain may be "forfeited" to FSA at loan maturity instead of repaying the loan principal and interest.

2007 Yakima County Price Support Rates are as follows:

Wheat (SWH)	\$2.84 per bushel
(HRS)	3.17 per bushel
(HRW)	3.44 per bushel
Barley	2.22 per bushel
Corn	2.47 per bushel
Grain Sorghum	3.87 per cwt.
Oats	1.30 per bushel
Wool	.38 per pound

WOOL LOANS & LDP's

Wool and mohair producers may apply for either a Loan Deficiency Payment (LDP), or for a nine-month, non-recourse marketing assistance loan for their 2007 sheared wool. In addition, producers who will sell unshorn lambs may be eligible for an LDP on the unshorn pelt. Producers must complete CCC-633EZ, Page 1 for LDPs before the wool or lambs are sold.

NONINSURED CROP LOSS COVERAGE

Producers may now purchase catastrophic crop loss coverage for noninsurable crops, planted in the fall for harvest in 2007, under the *Noninsured Crop Disaster Assistance Program (NAP)*. The cost of the coverage is \$100 per crop, not to exceed \$300 per producer, per County. Producers interested in this program should call our office for an appointment to apply. Upcoming application closing dates are as follows:

- **August 31-** for most fall planted crops, including: onions, radish, carrots, canola, cabbage, and value loss crops such as Christmas trees, ornamental nursery, turf grass sod, cut flowers and mushroom coverage.

- **September 30-** Grass seed, legume and grass forage production and grazing coverage.
- **November 20-** for asparagus, berries, prunes & plums and other noninsurable perennial fruit and vegetable crops, and honey.

EMERGENCY LOANS

Producers in Yakima County may be eligible for emergency loans under the following disaster declaration by the Secretary of Agriculture. The declaration covers damages and losses caused by the following conditions:

- Severe **physical losses only** due to winter storms which occurred from December 14, 2006 through January 15, 2007. (*September 30, 2007 application deadline*).
- Severe winter storms, landslides, and mudslides which occurred December 14-15, 2006. (*October 15, 2007 application deadline*).

For more information on emergency loans please contact our office.

PROGRAM COMPLIANCE SPOT CHECKS

FSA policy for conducting compliance reviews to ensure program compliance has been enhanced. The new policy means FSA will do fewer but more comprehensive reviews. Previously, reviews were done for a random sample of 15 percent of the acreage reported to the FSA office. The reviews were completed using high altitude photography to ensure acreage reports were filed correctly.

Producers will still be selected randomly for reviews, however the selection will be made at the national level. The selection will be made from participants in CRP, DCP, NAP, Marketing Assistance Loans and LDPs, and HEL/wetland compliance. FSA will look at acreage compliance, production records and compliance with program rules. Reviews may involve field visits. Depending on crops grown, multiple visits may be required.

Program compliance reviews are necessary to ensure the integrity of the farm programs, which is vital for

continued public support. Your cooperation, if you are selected, is appreciated.

IMPRESS YOUR LENDER FROM THE START

There comes a time when most farm operations need credit to operate. While planting crops or repairing equipment may come naturally, dealing with lenders may seem intimidating to first-time borrowers. There are a few steps that borrowers can take to help make the loan application process go smoothly and quickly.

- Provide the lender with an accurate income statement and balance sheet.
- Project cash flow for the business for a least a year - or longer.
- Maintain a good set of farm business records and use them to make management decisions.
- Approach a lender in a businesslike manner with a business plan.
- Arrange credit in advance of major purchases.
- Have a repayment program developed.
- Give the lender time to review the plan and make suggestions - but not too much time.
- Maintain good communication with the lender such as asking questions as they arise.
- Avoid split lines of credit if possible by staying with one lender.
- Practice good production and financial management at all times.
- Do everything possible to build understanding and trust with your lender.
- Set long-range goals for the business and for the family and develop a plan for reaching them.

The Farm Service Agency makes direct loans to producers who may have difficulty obtaining loans from commercial lenders. FSA also makes guaranteed loans available through commercial lenders. To learn more about FSA loan programs, contact our office.

Se habla español en esta oficina de FSA. Si quiere información tocante a los programas de crédito, conservación y otros programas que suministra esta oficina, por favor visite o llame la oficina de FSA. El número de teléfono es (509) 454-5746. La dirección se encontra encima.