



YOLO COUNTY FSA NEWS



Volume 6

November 2006

Yolo County FSA

221 W. Court, Suite 3B
Woodland, CA 95695
(530) 662-3986 x 2
(530) 662-4876 FAX

Hours:

Monday – Friday
8:00 AM – 4:30 PM

County Committee:

Randy Timothy,
Chairperson
Bob Paschoal, Vice Chair
Tom Slater, Member
Rudy Lucero, Jr., Advisor
Marlene Schuler, Advisor

County Executive

Director:

Marianne A. Morton

County Office Staff:

Janet Aguilar
Nathan Bohl
Dee DeLuca
Robert Currey
Caroline Walgenbach



This office will be closed
November 23rd in
observance of
Thanksgiving Day



**LAA-2 COUNTY
COMMITTEE ELECTION**

Ballots for the Yolo County Local Administrative Area 2 (which includes the land east of I-505, west of County Road 102 and north of I-5) have been mailed to eligible producers. Notify the county office if you haven't received your ballot and we will make arrangements to have you come in and complete a walk-in ballot. Completed and signed ballots are due in the county office by the close of business Dec 4th.

This year, the producers who were nominated were Marlene Schuler, Randy Timothy and Rich Yeung. The County Committee would like to thank the nominees for their willingness to serve.

**REQUESTS TO LOCK IN
REPAYMENT RATES**

Producers can request to lock in a repayment rate for the purpose of repaying an outstanding CCC loan with cash only.

A commodity certificate

exchange must not be applied to any quantity for which an outstanding CCC-697 exists. The CCC-697 form has been revised for the producer to acknowledge his/her understanding of the agreement to the locked-in repayment rate terms and conditions.



WOOL, MOHAIR LOANS

Producers have until January 31, 2007 to request LDP's for 2006-crop wool and mohair that have not yet been marketed and remain in storage. If LDP's are not requested, producers have until January 31, 2007 to request loans (MAL's) for 2006-crop wool or mohair. To be eligible for a nine-month MAL or LDP for wool or mohair, producers must demonstrate compliance with wetland and highly erodible land conservation requirements.

**DCP SIGN-UP
UNDERWAY**

Farm producers must apply for the Direct and Counter-Cyclical Program (DCP) on an annual basis. 2007 advance direct payments can be issued starting in December. Farmers who want to update their contracts need to address land and business issues, such as:

- Will you continue to rent the same property you rented last year? If not, notify the office so we can update your farm records or perform a reconstitution to add or remove land from your farming operation.
- If the land in your operation won't change, do you have a signed lease from the landowner? A signed rental agreement indicating you have land cash leased for 2007 is required to receive an advance payment.



- A cash-rent certification may be used if you rented the land last year; however, an advance

payment cannot be issued for the farm until July 1, 2007.

- Are you changing the structure of your operation? For example, is the farm converting from an individual to a partnership or Limited Liability Corporation (LLC)? Are you changing shares within the business or is one of the shareholders leaving the business? These questions need to be answered prior to sign-up.

All owners and operators who will share in the DCP payments on the farm must sign the DCP Contract (CCC-509). Signatures that are obtained after June 1, 2007 but before September 30, 2007 will be accepted, but the farm will be assessed a \$100 late-file fee.

All farmers who produce a crop on the base acres are entitled to share in the DCP payment. Landowners who do not have an interest in the crop are not eligible to receive a DCP payment.

The Agricultural Reconciliation Act of 2005 (2005 Act) amended the 2002 Farm Bill by providing that "... up to 22 per cent of the direct payment for a covered commodity for the 2007 crop year shall be paid in advance."

The following table shows

the advance payment rate of 22 per cent of the final crop payment rate to be used when computing 2007 advance payments:

Crop	22%
Wheat	\$0.1144/bu
Oats	\$0.00528/bu
Rice	\$0.517/cwt
Cotton	\$0.014674/lb
Soybeans	\$0.0968/bu
Corn	\$0.0616/bu
GS	\$0.077/bu
Barley	\$0.0528/bu



CONTINUOUS CRP

The Continuous Conservation Reserve Program (Continuous CRP) is a private lands environmental improvement program that allows participants the opportunity to enroll acreage in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

Continuous CRP is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners receive annual rental and maintenance payments, incentive payments for certain activities

and cost share for establishment of practices.

Provided all eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments or the Conservation Reserve Enhancement Program (CREP), please contact this office or go to <http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>.

SELLING CRP LAND

If you're planning to sell land that's enrolled in the Conservation Reserve Program (CRP), the buyer must agree to succeed to the CRP contract. If not, all payments received to date must be refunded.

Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

BEGINNING FARMER AND RANCHER LAND CONTRACT GUARANTEE PILOT PROGRAM

Farmers in California may be eligible to participate in a pilot program that may help producers acquire farm land.

The program provides the seller of land a 10-year "prompt payment" guarantee of the sale to the beginning farmer or rancher (buyer). If the buyer does not pay an annual installment due on the contract, or pays only part of an installment, FSA provides the scheduled payment or the unpaid portion to the seller through an escrow agent. The guarantee, limited to the total of two annual installments, also covers the amount of unpaid taxes and insurance for a period of two years.

You can find out more about this program by calling the Sutter/Yuba Farm Loan team at (530) 671-0850.

2005 FINAL CC CORN, SOYBEAN RATES ANNOUNCED

The Farm Security and Rural Investment Act of 2002 provides for counter-cyclical (CC) payments for covered commodities and oilseeds beginning with crop year 2002.

Commodity Credit Corporation (CCC) issues advance CC payments when the target price for the commodity exceeds the projected effective price. The effective price equals the direct payment rate plus the higher of the national average price received by producers during the 12-month

marketing year or the loan rate.

The Farm Security and Rural Investment Act of 2002 provides for counter-cyclical (CC) payments for covered commodities and oilseeds for crop years 2002-2007.

First advance 2005 CC payments for corn (\$0.14/bu) were issued in October 2005; second advance 2005 CC payments for corn (\$0.14/bu) were issued in February 2006. Corn was entitled to a final 2005 CC payment because its effective price was below the target price. The effective price equals the direct payment rate plus the higher of the national average loan rate or the national average farm price. The final 2005 CC payment rate for corn was \$0.35/bu less any advances previously issued. The effective price for soybeans was higher than the target price and, as a result, soybeans did not earn a 2005 DCP CC payment.

The 2005 final rice CC payment rate will be announced in February 2007.



UNITED STATES DEPARTMENT OF AGRICULTURE
Yolo County Farm Service Agency
221 West Court Street, 3B
Woodland, CA 95695

IMPORTANT DATES

***IT IS THE PRODUCER'S RESPONSIBILITY TO CONTACT THE
COUNTY OFFICE TO MEET DEADLINES***

11/23/2006	Thanksgiving Day – office closed
11/29/2006	End of first 60-day managed grazing period on CRP
December 2006	Begin issuing 2007 DCP advance direct payments <i><u>(Note: 22% of the 2007 direct DCP payment will be issued as an advance; the remaining 78% will be issued in October 2007)</u></i>
12/01/2006	Beginning of 120-day managed grazing period on CRP
12/04/2006	Final date to return LAA-2 election ballots
12/25/2006	Christmas Day – office closed
1/01/2007	New Year's Day – office closed
1/15/2007	Closed in observance of Martin Luther King's birthday
1/31/2007	Final loan/LDP availability date for 2006 mohair, unshorn pelts and wool Beginning date for authorized grazing of CRP acres (2nd 60-day)
February 2007	2005 final rice CC rate announced 2006 second advance CC rates announced
2/19/2007	George Washington's Birthday – office closed
3/31/2007	Final availability date for 2006 wheat, barley, oats and canola marketing assistance loans and LDP's End date for authorized grazing of CRP acres (120-day) End date for authorized grazing of CRP acres (2 nd 60-day)
4/30/2007	Fall-seeded acreage reporting deadline

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