



Kansas FSA Today

August 2011

An Online Monthly Newsletter Covering the Hottest Topics in Federal Farm Programs

USDA ANNOUNCES PROCESS TO RESOLVE DISCRIMINATION CLAIMS OF HISPANIC AND WOMEN FARMERS

USDA announced the establishment of a process to resolve the claims of Hispanic and women farmers and ranchers who assert that they were discriminated against when seeking USDA farm loans. Individuals interested in participating in the claims process may register to receive a claims package. USDA cannot provide legal advice to potential claimants. Persons seeking legal advice may contact a lawyer or other legal services provider. For additional information on this and other settlement issues contact:

- Hispanic and Women Farmer Claims Process, please visit: www.farmerclaims.gov or call 1-888-508-4429
- Pigford – The Black Farmers Discrimination Litigation, please visit: www.blackfarmercase.com or call 1-866-950-5547
- Keepseagle - The Native American Farmers Class Action Settlement please visit: www.IndianFarmClass.com or call 1-888-233-5506.

FARM STORAGE FACILITY LOANS

Farm Storage Facility Loans are available to build or upgrade farm storage and handling facilities for grain, silage, hay, biomass, and cold storage for fruits and vegetables. Loans are available for up to \$500,000 with 7, 10 and 12 year terms.

CRP HAYING & GRAZING OPTIONS

Counties approved for CRP **emergency grazing** include: Barber, Barton, Butler, Chase, Chautauqua, Cherokee, Clark, Comanche, Cowley, Edwards, Elk, Ellis, Ellsworth, Finney, Ford, Gove, Greeley, Greenwood, Graham, Grant, Gray, Hamilton, Harper, Harvey, Haskell, Hodgeman, Kearny, Kingman, Kiowa, Labette, Lane, Logan, Lyon, Marion, McPherson, Meade, Montgomery, Morris, Morton, Neosho, Ness, Pawnee, Pratt, Reno, Rice, Rush, Scott, Sedgwick, Seward, Stafford, Stanton, Stevens, Sumner, Trego, Wallace, Wichita, Wilson and Woodson. Emergency grazing in approved counties is allowed through October 31, 2011. Participants shall leave at least 25 percent of each field or contiguous CRP fields ungrazed for wildlife, or graze not more than 75 percent of the stocking rate. All livestock must be removed by the end of this grazing period. Producers without livestock may rent or lease the grazing privileges.

Counties approved for CRP **emergency haying** include: Barber, Barton, Butler, Chase, Clark, Comanche, Cowley, Edwards, Elk, Ellsworth Finney, Ford, Grant, Gray, Greenwood, Hamilton, Harper, Harvey, Haskell, Hodgeman, Kearny, Kingman, Kiowa, Lane, Lyon, Marion, McPherson, Meade, Morton, Ness, Pawnee, Pratt, Reno, Rice, Rush, Scott, Sedgwick, Seward, Stafford, Stanton, Stevens, Sumner, Trego, Wichita, Wilson and Woodson Counties.

Emergency haying in approved counties is allowed through September 30, 2011. Participants must leave at least 50 percent of each field or contiguous fields unhayed for wildlife. Hay must be removed from the field within 30 days from end of the haying period. Hay cannot be sold. Producers without livestock may rent or lease the haying privileges.

Emergency haying and grazing is not allowed on the same acreage, and any other approved CRP haying or grazing is not allowed on the same acreage. Practices eligible are:

- CP-1, Establishment of Permanent Introduced Grasses & Legumes
- CP-2, Establishment of Permanent Native Grasses
- CP4B, Permanent Wildlife Habitat (Corridors), Noneasement
- CP4D, Permanent Wildlife Habitat Noneasement
- CP10, Vegetative Cover-Grass Already Established
- CP18B, Establishment of Permanent Vegetative Cover (Contour Grass Strips), Noneasement
- CP18C, Establishment of Permanent Salt Tolerant Vegetative Cover, Noneasement
- CP38E, SAFE.

Producers previously approved for managed grazing can switch to emergency grazing, but the original frequency will still apply.

Kansas has been authorized to allow CRP emergency grazing on practice CP-25, Rare and Declining Habitat. Emergency haying and managed haying and grazing is not authorized on CP-25.

Managed harvesting (haying) or grazing is allowed by CRP participants that requested the activity in their Conservation Plan of Operations or update the plan to include the activity. Acreage is not eligible until 12 months after the cover is fully established. CRP contacts approved on or after March 9, 2010 can hay or graze no more than 1 out of every 3 years. There are other frequency categories based on when your CRP contact was approved.

Managed haying is permitted from July 16 through August 15 on 50 percent of each field. Hay must be removed from the field by September 15. Producers who do not own or lease livestock, may harvest hay for sale to a livestock producer or sell the hay for biomass.

Managed grazing is permitted from July 16 through September 30, not to exceed 77 consecutive days or as otherwise limited by forage conditions, stocking rates, etc as listed in the forage management plan. Producers who do not own or lease livestock, may rent or lease the grazing privilege. Producers previously approved for managed grazing can switch to emergency grazing in approved counties, but the original grazing frequency will still apply.

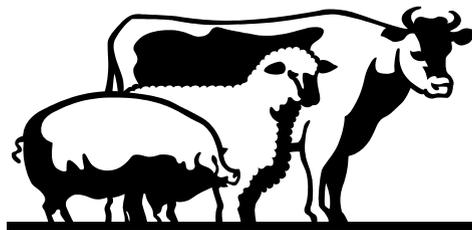
CRP participants shall contact the local FSA county office to request emergency haying or grazing on an individual contract basis prior to haying or grazing. Participants shall work with the Natural Resources Conservation Service to develop a forage management plan. If the CRP cover is destroyed, the practice must be re-established at their own expense to remain in compliance with the CRP contract.

Participants accept a 25 percent reduction in the annual rental payment for the acres actually hayed or grazed. CRP participants in counties not approved for emergency haying or grazing should periodically contact their FSA county office as additional counties are approved on a daily basis.

LIVESTOCK FORAGE DISASTER PROGRAM (LFP)

The Livestock Forage Disaster Program (LFP) provides compensation to eligible livestock producers who suffer grazing losses due to qualifying drought or fire. Fire losses apply only to federally managed rangeland. Applications must be filed **no later than 30 calendar days after the end of the calendar year** in which the grazing losses occurred. Losses must occur in calendar year the application is being filed. Eligible producers **must** have obtained a policy or plan of insurance under crop insurance or NAP coverage by the applicable state sales closing date.

The following counties meet the 2011 LFP trigger requirements for native and improved grasses: Barber, Barton, Clark, Comanche, Edwards, Ellis, Ellsworth, Finney, Ford, Gove, Grant, Gray, Greeley, Hamilton, Harper, Harvey, Haskell, Hodgeman, Kearny, Kingman, Kiowa, Lane, Logan, McPherson, Marion, Meade, Morton, Ness, Pawnee, Pratt, Reno, Rice, Rush, Scott, Sedgwick, Seward, Stafford, Stanton, Stevens, Sumner, Trego, Wallace, and Wichita. Additional counties could become eligible later depending on the U.S. Drought Monitor rating.



LIVESTOCK INDEMNITY PROGRAM (LIP)

LIP provides assistance to producers for livestock deaths that result from natural disasters. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including loss due to hurricanes, floods, blizzards, diseases, wildfires, extreme heat or extreme cold. Eligible losses must occur before Oct. 1, 2011. A notice of loss must be filed with **FSA within 30 days of when the loss of livestock is apparent**. Established normal mortality rates reflect losses that are considered expected or typical under "normal" conditions.

EMERGENCY ASSISTANCE FOR 2011 LOSSES

Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) is another disaster program that can provide emergency assistance to eligible producers of livestock, honeybees, and farm-raised fish who have losses due to disease, adverse weather or other conditions, including losses due to wildfires. Some eligible losses include but are not limited to: loss of forage or feedstuffs, loss of grazing due to wildfires, and losses resulting from the purchase of additional feed above normal quantities. A loss covered under LFP, LIP or SURE is not eligible for ELAP. Producers with 2011 losses must: file a notice of loss **within 30 calendar days of when the loss is apparent** to the producer or Oct. 31, 2011, whichever date is earlier.

NONINSURED CROP DISASTER ASSISTANCE PROGRAM (NAP)

The Noninsured Crop Disaster Assistance Program (NAP) helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. NAP losses must be reported within 15 days of a disaster event or the date the loss becomes apparent.

September 1 is the final date to pay the applicable service fee and obtain NAP coverage for 2012-crop Aquaculture, Canola, Christmas Trees, Speltz, Turf Grass Sod, and all small grain crops with the intent of harvesting by grazing or for forage.

USDA REMINDS PRODUCERS TO FILE ADJUSTED GROSS INCOME CONSENT FORMS WITH THE IRS

In order to receive USDA program payments, each payment recipient must have an Adjusted Gross Income (AGI) verification consent form on file with the Internal Revenue Service (IRS).

The consent form authorizes IRS to verify for FSA whether a payment recipient's AGI meets the eligibility requirements for FSA programs. IRS and USDA reports show that, nationwide, FSA is still missing the required consent forms from many producers for 2009 and 2010. To avoid an interruption of program payments, producers need to turn these forms in to the IRS immediately if they have not done so already.

Individuals must submit form CCC-927 and legal entities must submit form CCC-928. Without these forms on file, producers will not receive USDA program payments.

These consent forms are required for payments received from the Natural Resources Conservation Service (NRCS) as well as those received through FSA. Completed forms must be returned to the IRS.

ACTIVELY ENGAGED

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity must make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members can't exceed \$40,000.



TRANSITION INCENTIVES PROGRAM

The CRP Transition Incentives Program (TIP) provides for the transition of expiring CRP land from a retired or retiring owner or operator to a beginning or socially disadvantaged farmer or rancher to return land to production for sustainable grazing or crop production.

TIP provides annual rental payments for up to two additional years after the date of the expiration of the CRP contract, provided the transition is not to a family member. Enrollment in TIP is on a continuous basis. Beginning or socially disadvantaged farmers and ranchers and CRP participants may enroll in TIP beginning one year before the expiration date of a CRP contract.

Beginning farmer or rancher means a person or entity who has not been a farm or ranch operator for more than 10 years; materially and substantially participates in the operation of the farm or ranch involved in CRP contract modification; and if an entity, is an entity in which 50 percent of the members or stockholders of the entity meet the first two criteria.

Socially disadvantaged farmer or rancher means a farmer or rancher who is a member of a socially disadvantaged group whose members have been subjected to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities. Gender is not included.

LOANS FOR THE SOCIALLY DISADVANTAGED

FSA has loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improvement of farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided targeted funding for members of Socially Disadvantaged groups.

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 a member of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

BEGINNING FARMER & RANCHERS

FSA assists beginning farmers and ranchers to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in any loan assessment and borrower training program in production and/or financial management required by the Agency.
- Does not own farm acreage greater than 30% of the median size farm in the county.



EMERGENCY LOANS

FSA is making emergency loans available to help qualified producers recover from production and physical losses due to natural disasters. Eligible loan funds may be used to restore or replace essential property and pay production costs associated with the disaster year. Applicants can borrow up to 100 percent of actual production or physical losses not to exceed \$500,000. The current rate for these low interest loans is 3.75 percent. Producers must meet eligibility requirements and not be able to obtain credit from a commercial lender. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Contact your local FSA office for disaster designations.



BIOMASS CROP ASSISTANCE PROGRAM (BCAP)

Signup for **BCAP Project Area #1** with Show Me Energy Cooperative in Centerview, MO ends September 16, 2011. This project provides financial incentives to interested farmers, ranchers and forest landowners for the voluntary establishment and production of biomass crops for conversion to heat, power, biobased products and advanced biofuels. Eligible counties in Kansas are: Atchison, Douglas, Franklin, Johnson, Jefferson, Leavenworth, Linn, Miami and Wyandotte. The project will support the establishment of mixtures of perennial native grasses and forbs, such as Switchgrass, Big Bluestem, Indiangrass, Illinois Bundleflower and Purple Prairie Clover.

Signup for **BCAP Project Area #7** with Abengoa Bioenergy, LLC, in Hugoton, KS ends September 16, 2011. This project provides financial incentives to interested farmers, ranchers and forest landowners for the voluntary establishment and production of biomass crops for conversion to cellulosic liquid ethanol. Eligible counties are: Grant, Haskell, Morton, Seward and Stevens County in Kansas; and Texas County in Oklahoma. The project will support the establishment of mixtures of perennial native grasses and forbs, such as Switchgrass, Big Bluestem, Sand Bluestem, Indiangrass, Illinois Bundleflower, Alfalfa, and Purple Prairie Clover.

NEWSLETTERS NO LONGER MAILED TO PRODUCERS

Due to budget constraints, FSA can no longer mail regular newsletters. **Producers are encouraged to provide their email address to the local FSA office to receive newsletters by email.**

On-line State newsletters will be available monthly:

- ✓ Producers can obtain at www.fsa.usda.gov/ks then click on Newsletters in left column.
- ✓ Or provide email address to your local FSA office and receive the newsletter by email.
- ✓ Or obtain a copy at the local FSA office.

WHAT IS HAY NET?

The FSA electronic Hay Net Ad Service (eHayNet) is an Internet-based service allowing farmers and ranchers to share 'Need Hay' ads and 'Have Hay' ads online.

Access www.fsa.usda.gov and click on the 'Got Hay' logo at the top of the page.



CONTINUOUS CRP AVAILABLE

Continuous Conservation Reserve Program (CCRP) practices are available for specific conservation practices where needed. Producers offering environmentally sensitive acreage under the provisions of Continuous CRP may qualify for annual rental payments and practice cost-share incentives of up to 50 percent of the cost for installing the approved practices. This conservation program will remain funded, and as implemented will continue to provide heightened environmental benefits on select areas.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

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