



September 2007

# FSA UPDATES

**Chittenden/Washington  
County  
USDA Service Center**

**Chittenden/Washington  
County FSA**

802-865-7895 x4  
800-910-2035 x4 (VT only)  
802-865-7947 (fax)  
www.fsa.usda.gov/VT

**Hours**

Monday - Friday  
8:00 a.m. - 4:30 p.m.

**County Committee**

John Rowley, Jr. LAA-1  
Claude Lapiere LAA-2  
Deborah Conant LAA-3  
Elwin Neill, Jr. LAA-4  
Michelle Gardner LAA-5

**Upcoming County  
Committee Meeting**

**Dates**

September 18, 2007  
October 17, 2007

**FSA Staff**

Lawrence Parker x102  
Eileen Powers x106  
Pearl Wells x100  
Bradford Parker x103

**Natural Resources  
Conservation Service**

Caroline Alves x203  
Tate Jeffrey x119  
Michel Lapointe x118  
Danny Peet x202  
Norman Smith x117

**Winooski Natural  
Resources Conservation  
District**

Jessica Androletti x104  
Anna Farmer x204

## **SIGN-UP DATES FOR NEW LIVESTOCK AND CROP DISASTER PROGRAMS**

Sign-up dates for the new Livestock Compensation Program, Livestock Indemnity Program and Crop Disaster Program have been announced. Eligible ranchers and other livestock producers can apply to receive benefits under the Livestock Compensation Program (LCP) and Livestock Indemnity Program (LIP) starting **September 10, 2007**. Eligible farmers can sign-up for the Crop Disaster Program (CDP) beginning **October 15, 2007**, if they suffered quantity losses to their crops. USDA will announce and conduct CDP sign-up for quality losses as soon as possible.

LCP compensates livestock producers for feed losses and LIP for livestock losses occurring between Jan. 1, 2005, and Feb. 28, 2007, due to a natural disaster. Producers in primary counties declared secretarial disaster areas or certain counties declared presidential disaster areas between Jan. 1, 2005, and Feb. 28, 2007, are eligible as are producers located in counties contiguous to those counties. Producers in a primary (or contiguous) county that received an Administrator's Physical Loss Notice directly associated with a disaster declaration will also be eligible.

CDP provides benefits to farmers who suffered quantity and quality losses to 2005, 2006, or 2007 crops from natural disasters if the crop was planted before Feb. 28, 2007, or, in the case of prevented plantings, for crops that would have been planted before Feb. 28, 2007. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year to apply for benefits. Producers may apply for benefits for losses to multiple commodities as long as the losses occurred in the

same crop year. 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. Contact the FSA county office for more details.

## **NAP Deadline Approaching**

The Non-Insured Crop Disaster Assistance Program (NAP) deadline for fall seeded crops is approaching. NAP is designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production for an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance.

**November 20, 2007** is the final date for producers to apply for NAP coverage in Vermont on alfalfa, barley, blueberries, raspberries, grapes, grasses, mixed forages, peaches, spletz, strawberries and wheat for the 2008 crop year.

Producers who were covered by 2007 NAP may choose to continue coverage on the same crops for 2008, if the applicable service fee is submitted by the application closing date. A new form CCC-471, Application for Coverage, is not required to be signed when applying for continuous coverage of the same crops.

Producers who choose to **add or delete** a crop from the previous year's coverage or **changing crop shares** must file a new CCC-471, with signatures, and pay the applicable service fee.

Producers with NAP coverage are **required** to 1) file a Notice of Loss within 15 days of when a loss is apparent; 2) timely file acreage reports; and 3) keep track of harvested production using acceptable methods



## ***Final DCP Payments For 2007***

Enrolled producers can expect their final direct payment to be directly deposited into personal bank accounts sometime during the first few weeks of October.

Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum after the end of the fiscal year (September 30). The direct payment for a crop equals 85 percent of the farm's base acreage *times* (x) the farm's direct payment yield *times* (x) the direct payment rate.

If there are any unearned advance counter-cyclical payments, Commodity Credit Corporation will automatically subtract those amounts from the final Direct and Counter-cyclical Program payments you are about to receive.

## ***County Committee Elections***

Nominations for the county committee election were due in the county office by August 1, 2007. The *next step in the election process is the mailing out of the ballots*, which will begin on November 2, 2007. Voters have until December 3, 2007, to return their properly completed ballots to the county office. Elected committee members and alternates take office on January 1, 2008.

**Prospective Voter Requirements** - Anyone who meets the requirements in either, 1 or 2, as well as item number 3, is eligible to vote for county committee members.

1. Voter is of legal voting age and participates or cooperates in any FSA program, or
2. The voter is not of legal voting age, but supervises and conducts the farming operations on an entire farm.
3. The voter must also be eligible to participate in any FSA program provided by law, regardless of the status of funding.

**Discrimination Prohibited** - No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

If you have any questions about your voter eligibility, please contact your county office staff.

## ***Payment Limitations***

USDA payments and benefits are subject to producer eligibility and limitation provisions as defined by law. Documents and forms to determine eligibility and limitation once completed are reviewed on an annual basis. It is the producer's responsibility to report changes in the farming operation that may affect payment eligibility and payment limitation.

The following limitations apply to Direct and Counter-cyclical Program payments for each contract year. For all covered commodities (except peanuts): \$40,000 for direct payments and \$65,000 for counter-cyclical payments. For peanuts: \$40,000 for direct payments and \$65,000 for counter-cyclical payments.

The Environmental Quality Incentive Program has a \$450,000 payment limitation.

The Conservation Reserve Program annual limit is \$50,000 per person.

Entities such as corporations, limited partnerships, trusts and estates are required to provide names, addresses, and ID numbers of their members.

**Adjusted Gross Income** - Effective through 2008, an individual or entity shall not be eligible for certain program benefits during a crop, program or fiscal year if both of the following apply.

- The three-year average of the adjusted gross income for the individual or entity exceeds \$2.5 million; and
- Less than 75 percent of the average AGI is derived from farming, ranching or forestry operations.

## ***MILC-X Program Continues***

On May 25, 2007, the President signed legislation that provides, among other things, the continuation of MILC-X program benefits through September 30, 2007.

The Farm Service Agency's Milk Income Loss Contract Program (MILC) compensates dairy producers when domestic milk prices fall below a specified level, and the extended program period is called MILC-X.

Eligible dairy producers are those who, begin-



ning December 1, 2001, through September 30, 2007: Commercially produced and marketed cow milk in the United States; or produced milk in the United States and commercially marketed the milk outside the United States.

The minor programmatic change required by the May legislation will **not** require another sign-up. The price shortfall percentage for the payment calculation increased from 0 to 34 percent, which makes the Sept. 2007 payment rate calculation consistent for all other months in FY06 and FY07. MILCX payments to program participants with an approved CCC-580X will continue from the designated production start month selected by the dairy operator, and run through September 30, 2007. All other program provisions remain the same.



### ***Farm Storage Facility Loans***

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, 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.

### ***Succession in Interest***

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-cyclical Program contract, you must report these ***successions-in-interest*** to the county committee by Sept. 30, so that a final determination can be made on who is program eligible on the property.

Changes that qualify as a succession-in-interest include:

- ▶ A sale of land (a change in ownership including subdivisions and sales)
- ▶ A change of operator or producer, including an increase or decrease in the number of partners
- ▶ A foreclosure, bankruptcy or involuntary loss of the farm.
- ▶ A change in producer shares to reflect changes in the producer's share of the crop(s) that were originally approved on the contract.

If a succession-in-interest has taken place, you, as the “predecessor,” are required to refund any advance DCP payments you received for the affected base acres before a payment can be made to the “successor.” Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved. A revised CCC-509, Direct and Counter-cyclical Program Contract, with all succession changes must be complete with all signatures by Sept. 30 for payments to be distributed. **Note:** *Changes that require a reconstitution must be reported to the county committee by Aug. 1 of the fiscal year in which the change occurred.*

### ***County Committee Meeting Change***

The County Committee meeting scheduled for Wednesday, September 19, 2007, has been changed, and will now be held on ***Tuesday, September 18, 2007***. The meeting will begin at 10:00 am in the Williston Service Center.

### ***Emergency Conservation Programs (ECP)***

Over the course of the last few years, Chittenden and Washington County farmers have been eligible for cost share assistance through a variety of Emergency Conservation Programs. FSA has helped drill wells through ECPD, cleaned up maple tree debris through ECPO, and repaired fields through ECPF. These programs are only available through the specific requests of the Chittenden/ Washington County FSA Committee, and your help is critical. If there is a severe weather occurrence that causes damage to your property, please give the office a call and tell us! We

need to be informed that damage has occurred and to what extent. *The information will be used to file a damage report and to determine if government assistance is required.* You are our best source of first hand information.

Selected Interest Rates for September 2007	
90-Day Treasury Bill	4.875%
Farm Operating – Direct	5.50%
Farm Ownership - Direct	5.75%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.00%
Emergency	3.750%
Farm Storage Facility	4.625%
Commodity Loans 1996-Present	5.750%

Dates to Remember	
Sept. 28	Deadline for filing succession-in-interest.
Oct. 1	2008 Fiscal Year begins
Oct. 8	Columbus Day – Office Closed
Nov. 12	Veterans Day – Office Closed
Nov. 20	NAP Application Deadline for Selected Crops (See page 1)
Nov. 22	Thanksgiving Day – Office Closed
Continuing	Sign up under CREP or Continuous Sign Up programs

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<http://www.fsa.usda/VT>

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