



**DISTRICT 1 – Cheyenne – Decatur – Gove – Greeley – Logan – Rawlins – Sheridan – Sherman
Sheridan – Thomas – Wichita – Wallace**

May 2007

2007 DCP SIGNUP

The sign up deadline for the 2007 Direct and Counter-cyclical Payment Program (DCP) has been extended from June 1 to August 3, 2007. The final date for late-filed enrollment is Sept. 30, 2007. Producers enrolling after August 3, 2007 pay a \$100 late fee per farm.

You can request a direct advance payment equal to 22 percent of the direct payment rate for each crop with a base on the farm.

<u>Crop</u>	<u>Direct Payment</u>	<u>22% Advance</u>	<u>Target Price</u>
Wheat	0.52	.1144	\$3.92 bu.
Barley	0.24	.0528	\$2.24 bu.
Oats	0.024	.00528	\$1.44 bu.
Corn	0.28	.0616	\$2.63 bu.
Sorghum	0.175	.077	\$2.57 bu.
Soybeans	0.22	.0968	\$5.80 bu.

The 78% balance of the direct payment is made after Oct. 1. Counter cyclical payments are made only if market prices fall below the target price.

2007 CROP LOANS

Wheat, barley and oat harvest is just weeks away. If you want to hold part of your crop for later sale, a farm or warehouse stored commodity loan may be for you.

Loans can be repaid any time during the term of the loan. Loans mature on the last day of the ninth month following the month the loan is disbursed. Loans disbursed July 2007 mature April 30, 2008.

To get a warehouse stored loan, get warehouse receipts from the storing elevator. You have to repay whole warehouse receipts so if you want to sell in 1,000 – 2,000 – 3,000 bushel, etc. increments then you'll want warehouse receipts need in those amounts. You pay storage through the maturity date, but if you sell early you get a refund.

Farm stored bins must have inside and outside ladders and provide sufficient head room so a commodity inspector can get inside to sample the grain. You can get a measurement service to determine the quantity or certify to the quantity.

2007 LOAN RATES

County	HRW Wheat (bu)	Corn (bu)	Milo (cwt)	Barley (bu)	Oats (bu)
Cheyenne	\$2.81	\$1.95	\$3.16	\$1.90	\$1.34
Decatur	\$2.80	\$1.94	\$3.05	\$1.90	\$1.34
Gove	\$2.82	\$2.02	\$3.20	\$1.90	\$1.37
Greeley	\$2.74	\$2.08	\$3.36	\$1.90	\$1.37
Logan	\$2.83	\$2.03	\$3.17	\$1.90	\$1.37
Norton	\$2.80	\$1.96	\$3.09	\$1.85	\$1.34
Rawlins	\$2.80	\$1.97	\$3.18	\$1.90	\$1.34
Sheridan	\$2.79	\$1.96	\$3.19	\$1.90	\$1.34
Sherman	\$2.80	\$1.97	\$3.15	\$1.90	\$1.34
Thomas	\$2.84	\$1.98	\$3.21	\$1.90	\$1.34
Wallace	\$2.78	\$2.04	\$3.26	\$1.90	\$1.37
Wichita	\$2.74	\$2.07	\$3.33	\$1.90	\$1.37

UNAUTHORIZED REMOVAL & DISPOSITION

When you have a farm stored commodity loan the grain in the bins is loan collateral. This collateral can't be removed or disposed of by selling it or feeding it without contacting FSA ahead of time, the same as if we were any other lender. Prior to moving any grain, contact your county office. A CCC-681-1 Authorization for Delivery of Loan Collateral for Sale needs to be approved before the grain is taken out of the bins.

REPORT 2007 CROP ACREAGE

All cropland on the farm, idle or planted, must be reported to receive FSA benefits.

File reports by May 31 for small grains. Aug. 1 is the deadline to report feed grains, soybeans, sunflowers, and CRP. When reporting acreages, you'll need to provide planting dates. If the May 31 and August 1 deadlines are not met, producers are required to pay for a field visit at a minimum charge of \$46 per farm.

DIRECT & GUARANTEED LOANS

FSA makes loans directly to the borrower and also guarantees loans made by commercial lenders to farm operators who want to buy farm land, livestock, equipment, or need operating money.

To qualify for a direct loan applicants must have sufficient repayment ability and loan collateral, and be unable to obtain credit elsewhere. Loans may be considered for up to 100% of security value.

You may want to do business with a commercial lender, but the lender wants a guarantee on the loan. The bank applies to FSA for the guarantee. Often a combination of our direct and guaranteed financing is used.

Direct loans include:

- Farm operating loans
- Farm ownership loans
- Beginning farmer operating (<10 yrs farming)
- Beginning farmer ownership (<10 yrs farming)
- Youth loans up to \$5,000 (10-20 year olds)
- Socially Disadvantaged operating (females & minorities)
- Socially Disadvantaged ownership (females & minorities)
- Emergency operating loans (weather related)

Guaranteed loan types:

- Farm operating loans
- Farm ownership loans

Cheyenne, Sherman, Wallace counties are served from our office at 210 W. 10th, Goodland, KS 785-899-3070.

Logan, Gove, Thomas counties are served from our office at 1015 2nd Street, Oakley, KS 785-672-4861.

Decatur, Rawlins, Norton, Phillips counties are served from our office at 11640 Pine View Dr, Norton, KS 785-877-5156.

Sheridan county is served from our office at 100 N. 12th, Hill City, KS 785-421-2115.

Greeley, Wichita counties are served from our office at 2106 East Spruce, Garden City, KS 620-275-0211.

TRUSTS – Revocable & Irrevocable

Farm loan customers considering utilizing a trust, should contact their local Farm Loan Manager for information on how a trust will affect future servicing of their loan or eligibility for additional credit. The Farm Loan Manager will be able to provide specific items that should be included in the trust document, which the attorney will be able to incorporate at the time the trust is developed.

Any of our loan customers that have established a trust since obtaining their FSA loan should provide a copy of the trust, along with all exhibits and attachments, to their local Farm Loan Manager

EMERGENCY LOANS

To qualify provide evidence of a qualifying production loss of at least 30% to at least one cropping enterprise. Also covered are physical losses to installations, equipment, livestock or buildings. Funds can also be used for other essential operating and living expenses. Interest rate 3.75%. Current disaster designations:

<u>Designation</u>	<u>Disaster</u>	<u>Application Deadline</u>
S2413	Drought	6-12-07 All of District #1
M1674#1	Winter Storm	9-24-07 CN, DC, NT, RA
M1675#1	Winter Storm	9-24-07 All of District #1
N870	Blizzard	9-24-07 Greeley only

CONTINUOUS CRP ACRES AVAILABLE

Kansas has received an additional statewide allocation of 35,000 acres for CP-33 Habitat Buffer for Upland Birds. The purpose of this CRP continuous signup practice is to provide food and cover for quail, pheasants, and other species by planting field edges of eligible cropland to an approved cover. These buffers generally should be installed around the entire perimeter of the field (like a picture frame) or at a minimum, in areas where runoff enters or leaves the field. These acres are available through Dec. 31, 2007, on a first come, first served basis.

MAINTAIN CRP

Noxious weeds and trees must be controlled. CRP can't be used for equipment storage, roads and paths are not acceptable. Mowing is prohibited for cosmetic purposes, hunting lanes, annual mowing, or during the primary nesting season April 15 through July 15.

MANAGED HAYING & GRAZING

CRP contracts with managed haying and grazing approved in their Conservation Plan prior to 9-26-06, allows managed haying or grazing 1 in every 3 years.

Conservation Plans revised after 9-26-06 allow managed grazing 1 in every 5 years from July 16 through Nov. 13, not to exceed 120 days. Managing haying can occur 1 in every 10 years, divided into 50 percent of each field or contiguous fields 1 in every 5 years. Haying is from July 16 thru Aug 15.

FAILED ACREAGE

If ANY of your crops are affected by a disaster such as hail, freeze, drought, etc., you need to file CCC-576 Notice of Loss. This must be filed within 15 calendar days after the disaster occurs, or the date damage to the specific crop is apparent to the producer for yield losses. A field visit is required to establish the area of disaster. FSA does not appraise crops other than NAP crops.

RURAL DEVELOPMENT

USDA's Renewable Energy Systems & Energy Efficiency Improvement Program, known as the 9006 Program, helps create renewable energy systems and reduce energy needs of agricultural producers and small business in rural areas. Grants are awarded to qualifying projects through a nationally competitive scoring system. Loan guarantees can be obtained for up to 50% of the eligible costs of the project.

Eligible renewable energy projects include projects that produce energy from biomass, wind, solar, geothermal, and hydrogen based sources. These include projects such as retrofitting lighting or insulation, or purchasing or replacing equipment with more efficient units. Energy efficiency improvements in new building construction are typically not eligible. Eligible projects must be located in a rural area, must be technically feasible, and must be owned by the applicant.

Grants can fund up to 25% of a project's total eligible costs. Grants are limited to \$500,000 for renewable energy projects or \$250,000 for energy efficiency improvements. Grants as low as \$2,500 will be considered for renewable energy systems and \$1,500 for energy efficiency improvements. For more information contact USDA Rural Development website www.rurdev.usda.gov/ks or Brandon Prough at 785-628-3081.

Special Accomodations

Special accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impaired. Please call your local FSA office and we will be happy to make any necessary arrangements.

The U. S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation and marital or family status. (Not all prohibited bases apply to all programs.) Person with disabilities who require alternative means of 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 USDA, Director of Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SE, Washington, DC 20250-9410 or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.