

FSA Scoop

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There has been a change on how an office can accept lien waivers. Always before, the producer requesting benefits would have to initiate and have a lien waiver completed for each application submitted.

Now you can get one lien waiver for the crop at the beginning of the crop year, even before a loan request is submitted. Producers are still responsible for requesting lien waivers before loan requests.

Beneficial interest must be retained by the producer from harvest, continuously for loans, until the loan is repaid. For LDPs, producers must have beneficial interest at the time of the LDP agreement request on a CCC-633EZ, page 1.

Starting with the 2009 crop year, CCC will no longer adjust loan rates for farm and warehouse-stored loans using premiums and discounts at loan making time.

For warehouse-stored loans, the county office will require in-handling charges associated with the quantity on the receipt to be prepaid or provided for.

GRAZE-OUT Payments: are available to producers during the 2009 through 2012 crop years.

Eligible producers who:

- elect to use acreage planted to wheat, barley, oats, or triticale, for the grazing by livestock and
- agree to forgo any other harvesting of the commodity on this acreage during the crop year.

GRAZE-OUT payments are subject to ACRE provision and will be handled like LDP.

New loan repayment rate methods were announced April 6, 2009. Section 1204 of the Food, Conservation, and Energy Act of 2008 permits producers on a farm to repay MAL's (Marketing Assistance Loans) on wheat, feed grains, soybeans, other oilseeds, pulse crops wool, mohair, and honey at a rate that is the lesser of the following:

- The loan rate established for the commodity, plus interest.
- A rate (as determined by the Secretary) that:
 1. is calculated based on average market prices for the loan commodity during the preceding 30-calendar-day period.
 2. will minimize discrepancies in marketing loan benefits across state and county boundaries.
- A rate that the Secretary may develop using alternative methods for calculating a repayment rate for a loan commodity the Secretary determines will:
 1. minimize potential loan forfeitures
 2. minimize the accumulation of stocks of the commodity by the Federal Government and
 3. minimize the cost incurred by the Federal Government in storing the commodity.

Loan repayment rate web sites are:

www.fsa.usda.gov/FSA/webapp?area=home&subject=prsu&topic=landing(This is for wheat, feed grains, soybeans, and other oilseeds.)

www.fsa.usda.gov/Internet/FSA_File/pulses.xls (This is for pulse crops.)

www.fsa.usda.gov/Internet/FSA_File/mktpricleans1.xls

www.fsa.usda.gov/Internet/FSA_File/mktpriclean2.xls

www.fsa.usda.gov/Internet/FSA_File/mktpriclean3.xls (These three are for wool and mohair loans.)

Reminder: To be eligible for SURE (Supplemental Revenue Assistance Program), all crops of economic significance must be insured by Federal Crop Insurance or by NAP.

2010 NON-INSURABLE CROP DISASTER ASSISTANCE PROGRAM (NAP):

December 1 is the closing date for honey, apples, cherries, plums, strawberries, asparagus and grapes.

March 15, 2010 is the closing date for grass, mixed forage, sorghum forage, alfalfa, spring seeded annual crops such as barley, oats, and vegetables.