



FARM SERVICE AGENCY

UNITED STATES DEPARTMENT OF AGRICULTURE

## 2010 Annual DCP/ACRE Programs Sign Up

FSA offices are now signing up producers for the 2010 DCP (Direct and Countercyclical) and ACRE (Average Crop Revenue Election) annual programs.

The sign-up period will end June 1, 2010. Contracts are approved after all producers have signed the contract.

For 2010, eligible producers may request to receive an advance payments based on 22% of their direct payment. Advance payments can be requested for December 2009.

# Missouri District 5

Boone, Callaway, Cole/Miller, Franklin, Gasconade, Moniteau, Montgomery, Morgan, Osage/Maries, St. Charles/St. Louis, Warren Counties

DECEMBER 4, 2009

## Storage Options

### Farm Storage Facility Loan (FSFL)

Did you need more storage capability for your farming operation? Do you have obsolete, unusable bins or a lack of hay storage? Low cost loans for storage facilities continue to be available from FSA for producers to build or remodel farm storage facilities for a variety of commodities. The FSFL program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.



The new maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan, with more disbursement options available. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. The Interest Rate is fixed for the term of the loan and there is no penalty for early repayment. Some loans may require real estate as security for the loan. Borrowers must also demonstrate a need for the storage capacity the structure will provide.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay and other Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

### Stored Grain Loans

Do you need cash for early pay discounts on next years' seed and fertilizer without selling your grain? FSA has loans available to eligible producers for farm or warehouse-stored grain. The loan rate varies by county and is determined by the location the grain is stored. The interest rate for loans disbursed in December is 1.375%. Participants have up to nine months to repay the loan. The interest rate will change once in January, but is otherwise fixed for the term of the loan.



Grain produced on a farm enrolled in the ACRE program received a reduction in the loan rate of 30 percent. Producers need to track production from ACRE and DCP farms accordingly.

## Farm Ownership or Operation Changes

Producers need to notify their local office prior to the beginning of the 2010 program year of any changes in their farming operations. Failure to timely notify the county office of any changes could result in invalid contracts and payment refunds. Changes include:

**Farm Ownership Changes** this includes transferring your land into a trust or other entity type, death of owner. Please contact the County Office staff if you have any questions about what benefits may be affected when buying/selling property. If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

**Changes in entity structure.**

**Operator changes**-can be made with the owners verification or by submitting a lease containing the operator and owners' signatures,

**Changes in land use** did you build a new barn, house, machine shed.

## Highly Erodible Land (HEL) / Wetland Conservation (WC)

Compliance with HEL and WC provisions are required to receive program payments. Farmers with HEL determined soils must be in compliance with tillage, crop residue, and rotation requirements as specified in their conservation plan.

Contact should be made with your USDA Service Center, prior to any land clearing or drainage projects, to complete form AD-1026. Contacting your USDA Service Center before taking any action can save you time and money, as HEL and WC violations can be very costly.

## Payment Statements Different than in the Past

2009 DCP and CRP disbursements have been issued. This year a new automated payment processing system has made it challenging for both county offices and producers.

Producers are advised to review all disbursement statements closely to determine the amount deposited to your bank accounts. For DCP and ACRE farms which received an advance payment earlier this year, the farm statement will now show an equal amount offset to Commodity Credit Corporation. This was a one-time process for 2009. On your statement, the "Program Payment Detail" lists the entire DCP farm payment due for the crop year. Below this is any offset amount and then the final figure should be the net amount deposited to your bank account.

Your 1099-G statements should be mailed from Kansas City the last week of January 2010. Please call your local office if you have any questions.

## December Select Interest Rates

- ◆ Farm Operating-Direct  
2.875%
- ◆ Farm Ownership-Direct  
4.625%
- ◆ Farm Ownership-Direct Down Payment or Beginning Farmer  
1.5%
- ◆ Emergency Loans  
3.75%
- ◆ Farm Storage Facility Loans
  - \*7-year term- 3%
  - \*10-year term- 3.5%
  - \*12-year term- 3.75%
- ◆ Commodity Grain Loans  
1.375%



## Edgar Brehe Recognized for 35 Years of Service

Gasconade County Committee Vice-Chairman Edgar Brehe received his award for 35 years of service on November 6, 2009. The award was presented to Edgar by District Director Michelle Motley. Edgar served on the ASCS Community Committee and is in his third term on the FSA County Committee in Gasconade County.

Edgar says that his favorite thing about serving on the committee is working with all the great people in the office and community.



## Supplemental Revenue Assistance Program (SURE)

SURE is a permanent disaster program created by the 2008 Farm Bill that replaces the previous “ad hoc” crop disaster program. Unlike previous disaster programs that paid for losses by unit and crop, the SURE program is a “total farm” disaster program. This revenue based program compares crops’ expected revenue and program guarantee dollar amount to the actual crop revenue of the entire farming operation. Entire farming operation refers to all farms, all interests, in all counties.

In order to be eligible for payments under SURE, producers are required to carry insurance on all crops with an economic significance of 5% or greater, within the farming operation. Crop insurance coverage of CAT level or higher for insurable crops and/or NAP coverage for non insurable crops is required. For 2009 and subsequent years, RMA’s Rainfall index policy is acceptable coverage for hay acres. Grazing acres do not require coverage under the SURE program.

SURE is available to eligible producers if two ‘triggers’ are met. First, the county must have received a Secretarial Disaster declaration due to Natural Disaster, or be contiguous to a county with the declaration. Second, at least one crop of economic significance must have a 10% crop production loss. In the absence of a secretarial declaration, any farm in which actual production for all crops is 50% of normal production may also qualify. All Counties in District 5 received a Secretarial Disaster Declaration in 2008.

Sign up for 2008 losses under SURE is anticipated in the near future. When available, office personnel will access RMA informational downloads for application data. If a producer has production evidence that is not obtainable through the RMA download, such as double crop soybeans, hay/forage, fruits and/or vegetables, the producer must supply that production evidence. Regardless of insurance type or coverage level, the economic stimulus funding has created additional options under the SURE program. Every producer and each situation will be different, so it is in your best interest to inquire about the SURE program.

## Production Evidence For Different Programs?

Producers are faced with a challenge this year to keep production separate for various FSA programs (ACRE, NAP) and crop insurance units. **Verifiable records** includes production that is sold, measured by FSA or Crop Insurance. Settlements should include buyer’s name, date, producer’s name, and quantity of commodity.

Challenges arise when different farms and unit production is commingled. Producers can provide **supporting records** such as custom weight tickets, bin marking, or contemporaneous records such as truckload or hoppers to separate production. These records will only be accepted if the County Committee approves the record’s reasonableness. If either above method is unavailable or unacceptable, the production may be prorated by total planted acres of the crop or a plug yield will be used.

### FSA On The WEB

News Releases, Daily LDP prices, and other USDA Information:

[www.fsa.usda.gov](http://www.fsa.usda.gov)

Aerial Photography From Your Home Computer:

[gis.apfo.usda.gov/naipcoverage](http://gis.apfo.usda.gov/naipcoverage)

## District 5 Service Centers

Michelle Motley  
District Director

Boone	Kim Viers, CED 601 Bus Loop 70W Columbia, MO 65203 573-875-5540 FAX 573-875-5547 COC Meets 2 <sup>nd</sup> Tues. @ 8:30 am.
Callaway	Darrell Campbell, CED Mark Mudd, FLM 4549 State Rd H Fulton, MO 65251-5465 573-592-1400 FAX 573-592-1450 COC Meets 2 <sup>nd</sup> Tues. @ 9 am.
Cole-Miller	Drew Parmley, CED Kelly Volmert, FLM 1911 Bogg’s Creek Road Jefferson City, MO 65101 573-893-5196 FAX 636-583-7238 COC Meets 1 <sup>st</sup> Wed. @8:30 am.
Franklin	Sheria Yancey, CED 1004 Vondera Ave., Suite 1 Union, MO 63084-3122 636-583-2303 FAX 636-583-3571 COC Meets 1 <sup>st</sup> Wed. @ 8:00 am.
Gasconade	316 Olive Street Owensville, MO 65066 573-437-4131 FAX 573-437-4771 COC Meets 2 <sup>nd</sup> Thurs. @ 8:45 am.
Moniteau	Daryl Raithehl, CED 410 West Buchanan California, MO 65018 573-796-4691 FAX 573-796-4520 COC Meets 3 <sup>rd</sup> Thurs. @ 9 am.
Montgomery	Priscilla Eggering, CED 1013 South Sturgeon Montgomery City, MO 63361-2700 573-564-2262 FAX 573-564-3967 COC Meets 1 <sup>st</sup> Tues. @ 9 am.
Morgan	Dennis Schad, CED 100 S Burke Street Versailles, MO 65084 573-378-4589 FAX 573-378-6163 COC Meets 2 <sup>nd</sup> Fri. @ 9 am.
Osage-Maries	Randy Frisbee, CED 1315 East Main Street Linn, MO 65051 573-897-2138 FAX 573-897-4107 COC Meets 2 <sup>nd</sup> Thurs. @ 8:30 am.
St.Louis-St. Charles	Connie Gibson, CED 160 St. Peters Centre Blvd. St. Peters, MO 63376 636-922-2833 FAX 636-922-2840 COC Meets: St. Charles-3 <sup>rd</sup> Wed. @ 9am St. Louis-3 <sup>rd</sup> Thur. @ 9am
Warren	Ryan Eddy, CED 635 W. Booneslick RD Warrenton, MO 63383 636-456-3433 FAX 636-456-3712 COC Meets 1 <sup>st</sup> Mon. @ 9 am



### Dates to Remember

December 25  
**Christmas Day**  
Offices Closed

January 1  
**New Years Day**  
Offices Closed

January 19  
**Martin Luther King Day**  
Offices Closed

Ongoing

- **Wheat, Barley , Other Small Grain Acreage Reporting**
- ◆ **Marketing Assistance Loans**
- ◆ **DCP/ACRE Sign Up**



### Attention Beginning Farmers

If you are considering purchasing farm real estate in the future, the Farm Service Agency may be able to assist you with your financing needs. Applicants will be required to provide a 5% down payment, with 45% of the loan amount provided by the Farm Service Agency and the remaining 50% provided by a commercial lender. The maximum eligible Farm Service Agency loan is \$225,000. The Farm Service Agency loan term will be 20 years, the current fixed interest rate is 1.5%. Eligible beginning farmers:

- Have operated a farm or ranch for 3-10 years
- Will materially and substantially participate in the operation of the farm
- Do not own a farm in excess of 30% of the county's average farm size.

### Prevented Planted Wheat Applications Being Accepted

Producers who did not get intended wheat acreage planted by October 31, may now apply for prevented planted wheat history. The last day to timely file was November 15, however late filed applications are being accepted.

To file for "prevented planting", you must report the acreage and complete an application. You must provide sufficient information for County Committee to determine the claimed prevented planting was the result of natural disaster and not a management decision. When applying you should be prepared to provide evidence to prove intention to plant.

Late-filed applications require an FSA representative to make a farm visit to verify the eligible disaster conditions.



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To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."