

# County News

Jan 2010

Laclede, Camden &Pulaski County FSA 1242DeadraDr. Lebanon Mo 65536 417-532-5741 Fax 417-533-3689

#### www.fsa.usda.gov/mo

#### Hours

Monday - Friday 7:30 a.m. - 4:30 p.m.

#### **County Committee**

Homer Jones Jr. C. Kent Ledbetter Warren C. Hoffman Adv. Berniece Hamilton

County Committee Meets 2<sup>nd</sup> Thur. 9:00am

#### Staff

Darrel McCann, CED Ava Baker, PT Pam Akers, PT



# **COC Election**

Congratulations to Homer Jones Jr. on being elected to represent Camden County on the County Committee. Junior received 72 of 74 votes.

Next year Laclede County will elect a representative. If you are interested in serving, nomination for elections start June 15.

# Reminder

If you have a NAP policy, report your production.

Deadline for NAP policy for perennials such as hay and pasture is March 15.

To be eligible for SURE (the crop loss program) or Livestock Feed Disaster Program you must have crop insurance or Noninsured Assistance Program on eligible and significant crops. Pasture coverage is available and required for LFDP. Hay coverage is available and required for SURE. Cost is \$250 per crop per county. Coverage is free to limited resource producers.

# **DCP Signup Continues**

Enrollment for the 2010 Direct and Countercyclical Program (DCP) will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract.

USDA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. USDA will issue advance direct payments beginning Dec. 1, 2009. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price is the higher of the national average market price received during the 12-month marketing year for each covered commodity and the national average loan rate for a marketing assistance loan for the covered commodity.

# **ACRE**

The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving countercyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

The June 1, 2010, deadline is mandatory for all participants. USDA will not accept any late-filed applications.

# **Nondiscrimination Statement**

USDA prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, isability, political beliefs, sexual orientation, and marital status. (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).

# **Livestock Indemnity Program**

LIP is an ongoing program to compensate producers for Livestock death losses in excess of normal mortality due to adverse weather. There are no Disaster designations & no insurance requirements to be eligible for LIP – payments will be based on a producer's eligible loss due to adverse weather conditions which include lightning, ice storms, flooding, wildfire, blizzard, tornado, extreme heat or cold etc documented by the FSA county committee. Producers will need to file a notice of loss within 30 days of when a loss is apparent. Payment rates per head will be 75% of the market value of livestock, by kind, type & weight range, to be determined by CCC.

When a producer's first LIP application is filed for a calendar year a beginning livestock inventory will be required. Producers need to report all losses including normal mortality losses. Proof of death is required through verifiable records such as Veterinary records, insurance documents or tax assessor records. If these are not available then records such as bank records, vaccination or branding records may be used if accompanied by a verifiable record showing beginning and ending inventories. If the producer certifies in writing the above records are not available and lists the physical location of animals at time of death for FSA verification and provides some documentation of number of livestock in inventory at time of death then a third party certification may be used by someone not affiliated with the operation who witnesses the death or disposition.

# **Integrity of Payment Limits**

As part of today's announcement, USDA has finalized a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income provisions for programs administered by USDA's FSA and Natural Resources Conservation Service. This agreement will ensure that payments are not issued to producers whose adjusted gross income (AGI) exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

The electronic process that USDA developed with IRS reviews data from tax returns, performs a series of calculations, and compares these values to the AGI limitations from the 2008 Farm Bill FSA and NRCS will receive a record that indicates whether or not the program participant appears to meet the income limits. Written consent will be required from each producer or payment recipient for this process. No actual tax data will be included in the report that IRS sends to USDA. As part of the review and evaluation process, participants whose AGI may exceed the limits will be offered an opportunity to provide third party verification or other information to validate their income.

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 the USDA Farm Service Agency (FSA).

USDA has implemented the following change to permit certain operations, most often family-run operations, to meet 'actively engaged' in farming requirements under less restrictive rules.

Every stockholder or member of a legal entity, such as a corporation, does not have to contribute labor or management if both of the following apply:

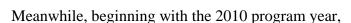
- at least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management that altogether qualifies as a significant contribution to the farming operation;
- the total direct payments received, both directly and indirectly, by the legal entity and each of the members does not exceed \$40,000.

#### **Special Accommodations**

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office directly or by phone.

# **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.



## **Risk Management**

COF shall notify all producers twice a year of the monitoring efforts by FSA and RMA to prevent fraud, waste, and abuse in the Federal Crop Insurance Program. - FSA will be assisting RMA and insurance providers in monitoring crop conditions during the season. - FSA will refer all suspect cases of fraud, waste, or abuse about FCIC to RMA.

- Producers may report suspected cases of fraud, waste, or abuse to FSA, RMA, or OIG.
- FSA will assist RMA with auditing claims as necessary.

Risk management also requires the producers be notified of FCIC sales closing dates.

## **Landowner Designation**

COF shall publicize the designation by landowner method of division, including the definition and criteria for its use. This publicity requirement is recommended twice a year with the end of the FY as a timely notification period.

# **Limited Resource & Socially Disadvantaged Persons**

FLP requires that at least once a year, provisions regarding Limited Resource Persons and Socially Disadvantaged Persons, be publicized. For specific language, reference the FLP handbook, or consult with your local farm loan team representative.

#### **Civil Rights/Discrimination Process**

As a participant or applicant for programs or activities operated or sponsored by USDA you have a right to be treated fairly. If you believe you have been discriminated against because of your race, color, national origin, gender, age, religion, disability, or marital or familial status, you may file a discrimination complaint. The complaint should be filed with the USDA Office of Civil Rights within 180 days of the date you became aware of the alleged discrimination. To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410 or call 202-720-5964 (voice or TDD), USDA is an equal opportunity provider and employer.

#### **Direct Deposit**

The Debt Collection Act of 1996 mandates that future payments from FSA be directly deposited into a producer's savings or checking bank account. A transaction statement will be sent from the FSA office

indication the payment type and amount. All producers were required to have initiated Electronic Funds Transfer (EFT) by January 1, 1999. Any person may request a waiver of EFT if it poses a financial or personal hardship. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

## **SURE**

The 2008 Farm Bill amended the Trade Act of 1974 to create the Supplemental Revenue assistance program (SURE).

The SURE program provides benefits for farm revenue losses due to natural disaster that incurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10 percent of the value of the coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm
- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.





# **NAP Coverage Deadline**

March 15<sup>th</sup> is the last day for producers to apply for Non-Insured Crop Disaster Assistance Program (NAP) coverage using Form CCC-471, Application for Coverage, and pay the service fee at the county office. To download the electronic "NAP Basic Provisions Document", form CCC-471 NAP BP, go to: <a href="http://www.fsa.usda.gov/Internet/FSA\_File/ccc\_471">http://www.fsa.usda.gov/Internet/FSA\_File/ccc\_471</a> nap bp.pdf. The application and service fee must be filed by March 15<sup>th</sup>, the deadline date for 2009 spring planted crops which include: forage sorghum, oats, potatoes, soybeans, sunflowers and all spring planted specialty crops grown for food.

The service fee is \$250 per crop per county or \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer with farming interest in multiple counties. Limited resource producers may request a waiver of service fees

To qualify, a producer must be a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop.

Dates to Remember	
Jan 18	Office closed
March 15	Deadline for NAP
June 1	Deadline DCP & ACRE
Continues	Continuous Conservation Reserve program

Visit our website at: www.fsa.usda.gov/mo

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