

December 2006



Missouri Producer

Missouri Farm Service Agency

Parkade Center, Suite 225
601 Business Loop 70 W
Columbia, MO 65203
www.fsa.usda.gov/mo

Hours

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

State Committee

Don Fisher, Chairman
Julie Hurst
Craig Westfall
Barbara Wilson
Dan Jennings Jr.

Staff

Tim Kelley, State Executive Director
Patty Dick, Administration
Dan Gieseke, Farm Loans
Bo Wendleton, Compliance
Gerald Hrdina, Conservation
Maurine Long, Price Support
Mike Lafolette, Production Flexibility



Annual DCP Enrollment

To participate in DCP, producers are required to **designate shares and sign the Direct and Counter-Cyclical Program Contract (CCC-509) on a yearly basis.** The annual DCP sign-up period runs from October 1 to June 1 of the applicable program year. To be considered enrolled timely, the CCC-509 must be submitted by June 1 of the applicable program year. In cases where a farm is reconstituted, all resulting farms will need to enroll (signatures obtained) if the producers intend to participate. CCC-509s with signatures obtained after June 1, but by September 30, will be accepted, but the farm will be assessed a late-filed sign-up fee of \$100. All supporting documentation, such as CCC-502, AD-1026, and CCC-526, must be submitted before payments can be issued. Annual acreage reports indicating uses of all cropland on a farm must be filed by the applicable established reporting dates. Acreage reports filed after the applicable final reporting date may be accepted if all requirements are met and a late-filed fee is paid.

DCP payments are calculated by taking 85 percent of the base acres, multiplied by the farm yield, times the applicable payment rate, times the producer share. Producers may receive an advance of the direct payment, beginning on December 1 of the program year. Final direct payments will be made on or after October 1 following the contract period. Counter-cyclical payments may also be authorized for one or more covered commodities, depending on the projected and actual market prices. Producers may elect to receive up to two counter-cyclical payments per year: (1) the first partial payment, if any, is available after the first six months of the marketing year, and (2) final payment, if any, is made after the end of the marketing year for each eligible crop. Producers who do not elect to take the first advance payments will receive the entire counter-cyclical payment at the end of the marketing year. The amount of a counter-cyclical payment is dependent upon the average of the actual prices received by farmers during the marketing year.

Farm Storage Facility Loans

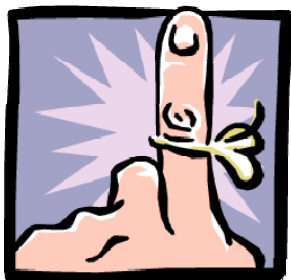
Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans, corn and silage.

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.

FY 2007 MILCX Option

Because the selection of October and November were not an option at the time of signup when MILCX program was first announced, several applicants selected December as their FY 2006 production start month, or did not change their FY 2007 production start month by September 14, 2006.



Program Reminders

Although the option to change their production start month was available, many producers assumed that their production start month for FY 2007 would begin with October 2006, which is the first month of FY 2007 with a payment rate in effect.

Relief is now authorized through close of business December 14, 2006, for eligible dairy operations to change their FY 2007 production start month selection from December to either of the following: October 2006 or November 2006.

The relief provision is only authorized for FY 2007 changes from December 2006, to either October or November 2006.

Additional information on the selection changes is available at the local FSA county office.

Online Services

If you are among the growing number of producers who have access to the Internet at home, you might be interested in USDA's online services that are available to you. Here's a quick run down of available services.

- The USDA Customer Statement. This provides the producer online access 24/7 to the farm's USDA business transactions in a single report accessed with one login and password. It includes participation, application and payment status in various commodity and conservation programs, farm loans, maps, and land unit information.
- eLDP is the Farm Service Agency's electronic Loan Deficiency Payment Service. This allows producers to request LDPs online and, in most cases, receive approval and payment by direct deposit within 48 hours.
- eDCP is the FSA's electronic Direct and Counter-Cyclical Payment Program. This allows producers to enroll in DCP online, choose DCP payment options, assign crop shares, and sign and submit contracts, view and print them out at any time.
- My USDA is an online portal the producer can create. It can be customized so that the news, reports, links, and USDA business data most important to the producer will immediately be viewable.

Stop by the county office for assistance in obtaining a USDA eAuthentication Service Level 2 Customer Account. This provides a single user ID and password that grants access to the Customer Statement, and many other USDA e-Services, including submitting forms online through USDA e-File, such as eLDP and eDCP.

Maintaining the Quality of Loaned Grain

This year's large grain crop has its obvious up side, but there is a downside too. Many producers are hard pressed to find adequate storage for every bushel harvested. Overfilled grain storage bins can lead to grain quality problems.

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the commodity through the term of the loan.

For information about grain storage options visit <http://www.extension.umn.edu/distribution/cropsystems/M1080-FS.pdf> or contact your local extension office.

Emergency Loans Available

Butler, Dunklin, Mississippi, Pemiscot, New Madrid and Stoddard County farmers who suffered significant damage due to losses caused by a severe storm, including high winds, tornadoes and excessive rainfall that occurred on September 22, 2006, may be eligible for low-interest emergency loans from the Farm Service Agency if they are unable to get financing from any other source. These loans carry an interest rate of 3.75 percent. Also eligible because they are contiguous are Bollinger, Cape Girardeau, Carter, Ripley, Scott and Wayne counties.

Production Losses. Eligible farmers can also use emergency loan funds to recover a portion of losses on growing crops that were destroyed.

Physical Losses. Eligible farmers can use emergency loan funds to repair or rebuild essential farm buildings, clean debris or prepare land for replanting, and to replace livestock, supplies and harvested crops on hand or in storage that were lost.

Loan applications will be accepted at your local FSA office eight months from November 16, 2006, the date of the disaster declaration.

Conservation Reserve Enhancement Program

Farmers in the certain Missouri watersheds are able to take advantage of the Conservation Reserve Enhancement Program (CREP). CREP is a voluntary land retirement program that helps agricultural producers protect environmentally-sensitive land, decrease erosion, restore wildlife habitat, and safeguard ground and surface water. CREP will reimburse farmers for retiring their cropland or pastureland. Program participants will receive annual rental payments, cost-share assistance, and other financial incentives for a period of 14-15 years for installing and maintaining conservation practices. Only certain practices are eligible for the Missouri CREP. For a list of practices and eligibility requirements, contact your local FSA office.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into

**Selected Interest Rates for
December 2006**

90-Day Treasury Bill	5.00%
Farm Operating Loans — Direct	5.125%
Farm Ownership Loans — Direct	5.375%
Limited Resource Loans	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	4.00%
Emergency Loans	3.75%
Farm Storage Facility Loans	4.625%
Sugar Storage Facility Loans	4.875%
Commodity Loans 1996-Present	6.00%

contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments or local Conservation Reserve Enhancement Program (CREP) availability, please contact your local FSA office or visit <http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule. Spouses may not sign FSA-211s on behalf of each other or sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities. Spouses must have a power of attorney on file or sign personally for claim settlements, such as promissory notes, and on security documents for price support loans.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

A spouse's authority to sign documents on behalf of the other spouse does not entitle the spouse to review or receive agency records of the other spouse.

Loans for Beginning Farmers, Socially Disadvantaged

FSA is authorized to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person whom:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's average farm size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed. Socially disadvantaged groups are Hispanics, American Indians, African Americans, Asians, Pacific Islanders and women.

Dates to Remember	
Dec. 4	Last day to return County Committee election ballots.
Dec. 25	Christmas Holiday.
Jan. 1, 2007	New Year Holiday.
Continues	Continuous Conservation Reserve program

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (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). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.