



August 2003

Missouri Producer

Missouri Farm Service Agency

Parkade Center, Suite 225
601 Business Loop 70 W
Columbia, MO 65203

Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

State Committee

Don Fischer, Chairman
Fred Ferrell
Julie Hurst
Craig Westfall
Barbara Wilson

Staff

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

Nominations Accepted for County Committee Candidates

The annual election for the FSA County Committee will take place in November, and starting this month, we are actively seeking nominations from producers for candidates to run in the election.

The county committee, or COC, is a grassroots approach to give local producers a say in how federal actions affect their communities and individual operations. The COC oversees the work of the county office and the county executive director (CED), acts in an advisory capacity to the farm loan manager (FLM) and is accountable to the state committee.

The locally-elected COC shoulders primary responsibility for making national farm programs fit the needs and situations faced by local producers. The members bring local expertise and knowledge to FSA's daily delivery of programs and services.

We encourage all eligible producers, especially women and minorities, to participate in the county committee election process. If you are of legal voting age and have an interest in farmland as an owner, operator, tenant or sharecropper, or if you are eligible to participate in any FSA program, then you are an eligible voter, and you may nominate candidates and be nominated as a candidate. Spouses of eligible voters may also vote and serve on the committee if nominated and elected.

Nomination forms, FSA-669A can be obtained at the county office or online at <http://forms.sc.egov.usda.gov/>. Eligible voters may circulate or sign nomination petitions for as many candidates as they choose. Each candidate must be nominated on a separate form. The nominee must sign the form and certify that he or she is willing to serve if elected. One eligible voter in the area holding the election must also sign nomination forms.

There is no longer a required minimum number of nominees for the COC slate. In the past, if fewer than four candidates were nominated by producers, the COC was required to nominate additional candidates. The revised rule states that if no nominations are received, the COC will nominate at least three candidates to complete the slate.

If the COC decides that socially disadvantaged groups are not adequately represented, it will add nominees who can fairly represent the interests of these groups.

The deadline to return nomination forms to the local FSA office is Sept. 5, 2003. Ballots will be mailed to all eligible voters in the county in November. Ballots must be returned to the county office by Dec. 1.

Dates to Remember	
Aug. 15	Deadline to apply for Lamb Meat Adjustment Assistance Program
Sept. 1	Labor Day – Offices Closed
Sept. 5	Deadline to submit nominations for county committee candidates
Sept. 30	Lat file periods ends for 2003 DCP; \$100 late fee
Oct. 1	Sign up begins for 2004 DCP
Oct. – Nov.	Final Direct DCP payments issued
Continuing	Farm Storage Facility Loans
Continuing	Grassland Reserve Program
Continuing	MILC Program

CDP Quality Losses

Losses due to reduced quality may be covered under the 2001-2002 Crop Disaster Program if producers document the losses through testing. The deadline to submit samples to an approved testing facility is Aug. 25, 2003. The deadline applies to all tests needed to document quality loss, including those required for aflatoxin adjustments.

For quality adjustments, the quality loss must be documented by a state university or a lab approved by the FSA state committee. The producer must submit documentation that shows the grade and other discount factors to determine quality adjustments.

The test deadline applies to both 2001 and 2002 program crops eligible for quality loss adjustment. It's okay for the test to be performed after Aug. 25, as long as the producer can document that the sample was submitted for testing by the deadline.

Sign up for CDP began on June 6. No ending date has been announced. Producers with eligible crop losses may file an application anytime during the sign up period. Producers are eligible for disaster benefits if a qualifying quality loss exceeds 20 percent. CDP is fully funded, so no national factor. Final payments are to be issued when regulations are published in the Federal Register.

Livestock Assistance Program III

Sign up for the Livestock Assistance Program III is underway. The Agricultural Assistance Act of 2003 authorized \$250 million to provide assistance to producers who have suffered grazing losses due to weather-related disasters or other emergency conditions. As with the Crop Disaster Program, producers have a choice of receiving payments for 2001 or 2002 losses. LAP III is intended to address the needs of producers who were not adequately covered by the Livestock Compensation Program. Producers cannot receive payments under both programs for the same loss.

Because funding for LAP III was limited, a national factor will apply. The factor will be announced after sign-up period ends. Adjusted Gross Income limitations apply, which is a change from LAP I and II.

Contact the county office for details.

Final 2002-Crop Counter-Cyclical Payment Rates for Wheat, Barley and Oats

As of July 8, counter-cyclical payment rates for 2002 crop year wheat, barley and oats are zero because their prices strengthened in 2002 and 2003 due to lower supplies. The 2002 Farm Bill provides for two advance counter-cyclical payments, in October and February, and a final payment after close of the marketing year. Neither the first nor second partial 2002-2003 counter-cyclical payments were made to wheat, barley and oats producers in October 2002 and

February 2003, respectively. As a result, no refunds are required.

Managed Haying, Grazing

Cutting hay and grazing livestock on land enrolled in the Conservation Reserve Program, in the absence of a weather-related emergency, is now an option for producers.

To take advantage of the new option, producers must modify existing conservation plans for the CRP acreage to include managed haying and grazing practices. The plans must be developed in conjunction with USDA's Natural Resources Conservation Service or one of its technical service providers.

Producers must also agree to several terms, including signing an agreement to re-establish, at the producer's own cost, any cover destroyed or damaged as a result of haying or grazing and to remove all hay within 10 days of being notified that the managed haying and grazing season has ended.

Annual rental payments producers receive for enrolling land into CRP will be reduced by 25 percent for acreage that is hayed or grazed.

Under the initiative, producers can cut hay or graze livestock on a given acre no more than once every three years after the vegetative cover is fully established. An area hayed or grazed this year, for example, may not be hayed or grazed again until 2006. CRP participants can choose to hay or graze their entire CRP acreage in year one or only hay or graze a portion of their CRP acreage each year. Producers may not harvest hay and graze livestock on the same land in the same year.

Changing Market Rates for Pulse Crops

In July the Farm Service Agency announced new market rates on dry peas, lentils and small chickpeas. For dry peas, the market rates will be based upon sample grade market rates. For lentils and small chickpeas, the market rates will be based on U.S. No. 3 grade market rates.

The new dry peas, lentils, and small chickpeas market rates are effective for the 2003-crop year marketing loans and loan deficiency payments.

For the 2002-crop year, the market rates were based on U.S. No. 1 grade market rates for all three commodities.

Posted prices for these pulse crops will be updated every Friday. LDP rates can be found on the Farm Service Agency's Web site at <http://www.fsa.usda.gov/dafp/psd/default.asp>.

Delinquent Debtors Barred

Under the Debt Collection Improvement Act of 1996 (DCIA), producers owing a

Selected Interest Rates for April 2003	
90-Day Treasury Bill	1.000%
Farm Operating - Direct	2.750%
Farm Ownership - Direct	5.000%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency	3.750%
Farm Storage Facility	3.125%
Sugar Storage Facility	4.250%
Commodity Loans 1996- Present	1.125%

delinquent non-tax debt to the federal government are ineligible for federal financial assistance, including marketing assistance loans and loan deficiency payments.

DCIA was amended by the Agriculture Appropriations Act of 2001 to exclude 2001 crop year MALs and LDPs. The Agriculture Appropriations Act of 2002 did not include that exemption, and the DCIA requirement will apply to 2003 and subsequent crop year MALs and LDPs.

When applying for MALs and LDPs, producers must self-certify that they are not delinquent on any federal non-tax debt. If it is known that the producer has a delinquent on such a debt, the county office cannot approve the request.

For 2003 MALs and LDPs disbursed before July 3, producers will be asked to complete a revised form and answer the DCIA question.

DCIA also bars a person owing a delinquent non-tax debt to the federal government from receiving direct loans (other than disaster) or loan insurance or guarantee.

Lock in Market Loan Repayment Rate

The CCC-697 used by producers to lock in rates for repaying outstanding CCC loans has been revised to clarify that loans must be repaid with cash.

Item 9 of the "Terms and Conditions" on the revised form states that "A commodity certificate exchange can NOT be applied to the quantity specified in Part A." When submitting a new CCC-697, producers must sign and initial the form to acknowledge their understanding of and agreement to the lock-in repayment rate terms and conditions.

CCC-697 is available in PDF format at [http:// www.fsa.usda.gov/dafp/psd/Forms.htm](http://www.fsa.usda.gov/dafp/psd/Forms.htm).

Fraud Leads to Disqualification

USDA announced its final rule on benefit disqualification for crop insurance fraud. The rule implements statutory provisions making producers found to have committed crop insurance fraud ineligible for a number of programs administered by FSA and CCC.

Any person found to have committed fraud will receive a notice and will have an opportunity for a hearing on the record. The person may be disqualified from receiving any benefits under a number of programs for a period of up to 5 years. Other sanctions may also apply.

The list of benefits includes, but is not limited to, those provided under:

- Title V of the Federal Crop Insurance Act;
- The Agricultural Market Transition Act;
- Noninsured Crop Disaster Assistance Program;
- the Agricultural Act of 1949;

-
- the Commodity Credit Corporation Charter Act;
 - the Agricultural Adjustment Act of 1938;
 - Title XII of the Food Security Act of 1985; and
 - any law that provides assistance to a producer of an agricultural commodity affected by a crop loss or a decline in prices of agricultural commodities.



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.) 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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410, or call 202-720-5964 (voice or TDD).