



December 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

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

Crop Disaster Program

Producers have until Jan. 30, 2004, to sign up for the 2001-2002 Crop Disaster Program.

The Agricultural Assistance Act of 2003 authorized some \$2 billion in aid producers for qualifying losses to agricultural commodities due to damaging weather or related conditions. CDP had no funding limitation but each producer is limited to \$80,000. CDP includes insured crops, uninsured crops and non-insurable crops. The damages must have been in excess of 35 percent for either the 2001 or 2002 crop. Producers have a choice of receiving payments for the 2001 or 2002 crops, but not both. CDP provisions were similar to disaster programs authorized for 1998 through 2000 crops.

Rice Prices on the Rise?

We have heard that some people who represent the rice industry believe the price of rice may increase to the point where the projected 2003 counter-cyclical payment rate will decrease, causing producers to refund all or a portion of their advance CC payments.

Remember, producers have the option to request not to receive the second advance payment that is scheduled for February. Requests to not receive the second advance payment should be provided to the county office staff by Jan. 15 and be made by changing the advance payment box on the CCC-509. Producers are required to initial and date the change.

For example, rice producers received a 1st advance of \$.5775 per cwt. If the 12-month national market price for the rice marketing year (August 2003 to July 2004) is above \$7.5725 (target price (\$10.50) minus direct rate (\$2.35) minus \$.5775), then producers will have to refund part or all of their first advance. If the 12-month national market price is at or above \$8.15, then there will not be a 2003 rice CC payment.

TAA Program for Catfish Opens

The U.S. Department of Agriculture's Foreign Agricultural Service certified a petition for commercial catfish producers in 18 states including Missouri under the Trade Adjustment Assistance (TAA) for Farmers program. They are now eligible to apply for TAA benefits.

The other 17 states are Alabama, Arkansas, Florida, Georgia, Idaho, Illinois, Kansas, Kentucky, Louisiana, Mississippi, Nevada, North Carolina, Ohio,

Dates to Remember	
Today	Report changes to farming operation.
Dec. 15	Deadline to return ballots for county committee election
Dec. 25 & 26	Christmas Day – FSA offices closed
Jan. 1, 2004	New Year's Day – FSA offices closed
Jan. 30, 2004	Deadline to apply for Crop Disaster Program
Jan. 31, 2004	Deadline to request LDPs, loans for wool and mohair
Continues	Farm Storage Facility Loans
Continues	Grasslands Reserve Program
Continues	MILC Program
Continues	CRP Continuous Sign Up
Continues	Bottomland Timber Establishment on Wetlands

Oklahoma, South Carolina, Texas and Utah.

Under the TAA program, USDA provides technical assistance and cash benefits to producers if an increase in imports of a like commodity has contributed importantly to a decline in price and a loss of income.

After an investigation of the petition, FAS determined that, during January-December 2002, increased imports of catfish and fillets of Vietnamese basa and tra contributed importantly to a decline in domestic prices for catfish producers in the above states, when compared with the previous 5-year average.

Producers may obtain a TAA application (FSA-229) from their local Farm Service Agency service center or from <http://forms.sc.egov.usda.gov/eforms/mainervlet>. Producers have until Feb. 17, 2004, to submit their application to FSA. After they submit completed applications, technical assistance and training will begin as soon as possible. Financial payments will not be made until after applications are certified.

For further information about the TAA program, contact the FSA office.

Changing to GIS at FSA

A Geographic Information System (GIS) is an automated system used to visualize, manage and analyze geographic information. A GIS operation utilizes coordinates of latitude and longitude to identify locations anywhere on the earth's surface. The Farm Service Agency has many program activities that are land based, and GIS is ideally suited to store and utilize producer information on individual farms and fields.

For years, FSA offices have maintained large aerial photographs. In the near future all aerial map data will be maintained in a digital environment by computers. The Common Land Unit (CLU) will be used to identify fields, or the smallest area of land with a common producer, owner and common land management surrounded by a contiguous boundary. Once the CLUs are digitized and recorded in computers, an array of information associated with each CLU can be easily accessed to help producers better utilize their existing resources, and improve their efficiency.

When GIS is fully operational at FSA, farmers will be able to report their acreage, and make farm record changes more easily. Producers will also have more detailed information about each of their fields at their disposal. Old land measurements by wheel or chain will soon be replaced by global positioning systems (GPS) that measure and plot boundaries with coordinates provided by satellites. The transition to this new technology will allow producers to electronically manage more farm data that in turn will provide them with increased productivity and profitability.

Know Your Land Before Planting

To ensure farmers retain eligibility for USDA benefits, it is important that you now, before planting 2004 crops, whether the land has had a Highly Erodible

Selected Interest Rates for December 2003	
90-Day Treasury Bill	0.875%
Farm Operating - Direct	3.625%
Farm Ownership - Direct	5.750%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency	3.750%
Farm Storage Facility	3.750%
Sugar Storage Facility	4.875%
Commodity Loans 1996- Present	2.375%

Land (HEL) or wetland determination made by NRCS. Crops planted on HEL must be in accordance with a signed conservation plan. Land that is classified as a wet area and was manipulated after Dec. 23, 1985, cannot be planted to agricultural commodities. Planting areas that were drained after this date by someone other than the operator does not excuse the farm operator from a violation if they planted the converted area. Farmers are advised to acquire an official wetland determination from NRCS before planting if there is any doubt. Once a crop is planted in violation of the HEL or wetland requirements, it is too late. You will be ineligible for all USDA benefits.

Disaster Debt Set-A side Program

When Farm Service Agency borrowers who are located in designated disaster areas or contiguous counties are unable to make their scheduled payments on any debt, we are authorized to consider setting aside some payments to allow the operation to continue.

When the county in which a borrower farms or ranches is designated as a disaster area, or a contiguous county, by the president or secretary, farmers or ranchers presently indebted to the agency, who may be eligible, are notified about the Debt Set-Aside Program. Borrowers who are notified have eight months from the date of designation to apply.

To be eligible, the borrower must be unable to pay all family living and farm operating expenses, payments to other creditors and payments to FSA as a direct result of the disaster. The borrower must have operated a farm or ranch in a county designated as a disaster area or in a contiguous county.

For more information on the Disaster Set-Aside Program, check out the fact sheet online at <http://www.fsa.usda.gov/pas/publications/facts/html/debtset02.htm>.

Existing FSA Borrower

It appears FSA may run short of loan funds again this year. Therefore, we encourage each of you to complete your 2003 farm records along with your 2004 farm plans and make an appointment with your loan officer as soon as possible. If you think you may have trouble making payments, there may be programs to assist in rescheduling or reamortizing your payment schedules.

Bank Account Changes?

As of Jan. 1, 1999, all FSA payments are supposed to be electronically transferred into your bank account. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. Payments can be delayed if we are not aware of changes to your account and routing numbers.



Wool, Mohair Loans

Producers have until Jan. 31, 2004, to request LDPs for 2003-crop wool and mohair that have not yet been marketed and remain in storage. If LDPs are not requested, producers have until Jan. 31, 2004, to request loans for 2003-crop wool or mohair.

To be eligible for a nine-month marketing assistance loan or LDP for wool or mohair, producers must demonstrate compliance with wetland and highly erodible land conservation requirements.

MILC Update

Boston's Class I price is \$17.09 per hundredweight this month. Since the rate is higher than the \$16.94 target price, FSA will not issue a December MILC payment.

Remember, milk produced during a month when a MILC payment isn't issued does not count against the 2.4 million pound cap.

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, audiotope, 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).