



March 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

DCP - Base & Yield Selection

Did you grow corn between 1998 and 2001? Do you want to improve your farm's balance sheet? Then listen up!

Last fall we mailed letters to all farm owners and operators with information about their planting history. Using that information, you now have a one-time opportunity to make base and yield selections for your farm. This program is for dairy farmers and cash crop farmers! Everyone who grew corn, wheat, oats, barley or soybeans between 1998-2001 should enroll!

April 1, 2003, is the final date to update your base and yields under the Direct and Counter-cyclical Program (DCP).

PFC Participants: You are eligible for DCP because your farm has a crop acreage base. By April 1, you must decide if you want to update your farm's bases and yields or use your PFC bases and yields.

Non-PFC participants: You have until April 1 to establish a base and yield if you grew corn, wheat, barley, oats, or soybeans on your farm between 1998-2001. Your 4-year planted average will be your base. If you did not report your planted acres to the office during those years, you may complete a late-filed acreage report. If you don't act by April 1, you will be ineligible for the program. (Exception: An oilseed base will be created if soybeans, canola or sunflowers were grown between 1998-2001.)

To Recap: To participate in DCP, you must make the base and yield selection by April 1, 2003. Producers must sign the DCP contract by June 2, 2003. Producers who did not participate in the 7-year Production Flexibility Contract (PFC) must make their base and yield selection by April 1 in order to participate in the new program.

Crop Disaster Program

\$3.1 billion is available for a number of different disaster programs. The bulk of the funds will be used for crop losses with some going for livestock, tobacco, cottonseed, etc. Crop disaster program rules have not been finalized, but we do know procedure will be similar to previous disaster programs. We know producers will have a choice of receiving

payments for 2001 or 2002 crops, but not both, and the payment rates will be less than previous crop loss payments.

Payments will be issued to producers for losses in excess of 35 percent at:

- 50 percent of the established price to producers who had crop insurance or Noninsured Crop Disaster Assistance Program (NAP) coverage;
- 50 percent of the established price to producers for which crop insurance or NAP was not available; and
- 45 percent of the established price to producers who did not obtain crop insurance or NAP.

Payments are limited to \$80,000. A sign-up date has not been announced yet. The disaster program is not likely to start before April 1 as we are in the midst of DCP. We don't know when payments would be issued either.

For up to date disaster information in one convenient location, check out the FSA's disaster Web site at: <http://disaster.fsa.usda.gov/default.asp>.

Dates to Remember	
Today	Report changes to farming operation.
March 14	Deadline to file CCC-580 Addendum-1 for MILC program
March 15	Final application date for 2003 NAP crops.
March 31	Deadline to apply for loans and LDPs for 2002 wool and mohair
March 31	Deadline to apply for LDPs for unshorn lamb pelts
March 31	Final application date for loans and LDPs on 2002 wheat, barley, oats, and honey
April 1	Deadline to select base and yield options
June 1	Deadline to sign DCP contract
ASAP	Return your 2002Ag Census Form
On Going	MILC Program
On Going	Farm Storage Facility Loan
On Going	Conservation Reserve Program Continuous Signup

Unshorn Lamb Pelts Eligible for LDPs

LDPs are now available for wool in the form of unshorn lamb pelts. Eligible producers have until March 31 to apply for LDPs for unshorn pelts produced during the 2002 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter or slaughter the unshorn lamb for personal use. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

Producers who lost beneficial interest before the end of the 2002 crop year are eligible to request an LDP based on the date beneficial interest was lost. Eligible producers who lost beneficial interest between Jan. 1 and Feb. 21 of the 2003 crop year can also apply for LDPs based on the date beneficial interest was lost. Requests for LDPs based on this exception must be submitted no later than March 31, 2003.

For the 2003 through 2007 crop years, the final date to request an LDP for unshorn pelts will be January 31 of the year following the year in which the unshorn lamb is slaughtered.

To qualify for payment, pelts must have been produced by an eligible producer from live never-shorn lambs of domestic origin in the United States.

2003 Wool and Mohair Loan Rates

Loan rates for the 2003 crop of eligible wool and mohair were announced in late December, but there was a mistake in the official notice sent to county offices. The notice was corrected and re-issued in late January.

Remember, for crop year 2002 only, the date to request a wool or mohair loan or LDP has been extended from Jan. 31 to March 31. The extended final loan availability date applies to eligible producers who lost beneficial interest in the commodity before Oct. 11, 2002, and for eligible producers who continue to maintain beneficial interest in the commodity.

Region 1 (Missouri)	
Graded Wool	
Micron	Loan Rates (\$/lb.)
<18.6	\$5.31
18.6-19.5	\$3.42
19.6-20.5	\$2.49
20.6-22.0	\$2.28
22.1-23.5	\$2.24
23.6-25.9	\$2.11
26.0-28.9	\$1.52
29.0 >	\$1.37
Nongraded Wool	\$0.42
Mohair	\$4.20

Farm Record Changes

If you have sold or bought land, changed tenants, or rented additional land for 2003, please notify the county office so farm records can be updated. Also, when land is purchased you need to provide the office proof of ownership.

Year End Reviews

Producers who have a farm loan with FSA are reminded they must provide data for their Year-end Analysis (YEA) to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained. The office will contact you for the data you will

need to assist us.



MILC Program Changes

Have changes taken place on your dairy farm that affect your MILC contract? Farmers are required to notify the county office immediately after a change. Dairy operations need to update their MILC contract if:

- You want to add a new producer or shareholder
- You want to remove a producer or shareholder
- There is a change in the shares of a producer on the MILC contract

Each producer who signed the original contract must sign the modified contract. New producers or members with modified shares must also sign the modified contract. MILC payments based on the modified contract will be received once all signatures are obtained and the contract is approved.

New MILC Addendum Needed

The number of changes to the MILC program requires participants to file a new CCC-580-Addendum-1. All operations must complete this requirement by March 14, 2003. Payments cannot be issued after that date unless the new Addendum is on file.

NASS Needs Your Help

If you haven't already completed and returned your 2002 Census of Agriculture, please do so right away. Your response will help provide official facts representing all U.S. producers. If you did not receive a form, call 1-888-4AG-STAT to make sure you are counted. You can be sure your individual information will be kept confidential.

NASS needs your participation. Be counted in 2002. Fill out the census form and return it immediately so you, your representatives and your business partners have a complete picture of agriculture in our Nation. Remember, you make it known – Agriculture Counts.

Selected Interest Rates for March 2003	
90-Day Treasury Bill	1.250%
Farm Operating - Direct	3.500%
Farm Ownership - Direct	5.625 %
Limited Resource	5.000 %
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.000 %
Emergency	3.750 %
Farm Storage Facility	3.500 %
Commodity Loans 1996- Present	2.375 %

New Hard White Wheat Program

The Hard White Wheat Incentive Program (HWWIP) provides \$20 million in incentive payments for hard white wheat growers from the 2003 through 2005 crop years. HWWIP will provide two payments to producers: An incentive payment of \$0.20 for each bushel of eligible hard white wheat produced, with a maximum of 60 bushels per acre eligible for payment, and a payment of \$2.00 per acre for each acre planted to certified seed. Producers do not have to plant certified seed to receive the production incentive payment.

The purpose of the program is to create an incentive for producers to plant hard white wheat, of winter and spring varieties, which would subsequently increase production for domestic and export markets. Target markets are predominantly in Southeast Asia, where hard white wheat varieties are used to produce noodles.

Sign-up was slated to begin March 3, 2003; however, at this writing, the county office has not received the procedure or forms.

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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).