



September

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

County Committee Election



Nominations for the county committee election are due in the county offices by the close of business Sept. 5. The next step in the election process is the mailing out of the ballots, which will begin on Oct. 18. Voters will have until Dec. 1 to return their ballots to the county office.

Prospective Voter Requirements If you're on the mailing list for a Farm Service Agency county office newsletter, the chances are you are an eligible voter in the county committee election. Anyone who meets the requirements in 1 or 2, plus 3, below, is eligible to vote.

1. Be of legal voting age and have an interest in a farm or ranch as either of the following:
 - an owner, operator, tenant, or sharecropper, or
 - a partner in a general partnership or member of a joint venture that has an interest in a farm as an owner, operator, tenant, or sharecropper; or
2. Not of legal voting age, but supervises and conducts the farming operations on an entire farm; and
3. Eligible to participate in any FSA program that is provided for by law, regardless of the status of funding.

Contact your local county office if you have any questions about voter eligibility, and watch your mail box of your ballot.

Discrimination Prohibited No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

Contact the county office if you have questions about voter eligibility.

DCP Sign Up Starts Next Month

The DCP sign-up period for fiscal year 2004 is from Oct. 1, 2003, to June 1, 2004. The CCC-509 form, "Direct and Counter-cyclical Program Contract," includes base acres, payment acres, payment yields, producer payment shares, advance direct and counter-cyclical payment selections and signatures of the producer and county office representative.

| Dates to Remember | |
|-------------------|---|
| Today | Report changes to farming operation. |
| Sept. 1 | Labor Day – Offices closed |
| Sept. 5 | Deadline to submit nominations for county committee candidates |
| Sept. 30 | Final date to certify all cropland on a farm participating in DCP |
| Oct. 1 | Sign up begins for 2004 DCP |
| Oct. 13 | Columbus Day – offices closed |
| On Going | Farm Storage Facility Loans |
| On Going | Grasslands Reserve Program |
| On Going | MILC Program |
| On Going | Conservation Reserve Program Continuous Signup |

The CCC-509 must be submitted by June 1, 2004. All owners and operators who will share in the DCP payments on the farm must sign the CCC-509. Forms with signatures that are obtained after June 1, 2004, but before Sept. 30, 2004, will be accepted, but the farm will be assessed a late-file sign-up fee of \$100.

Farm producers must apply for DCP on an annual basis and can opt out of participating in DCP for any year if they so choose.

The following documents are required and applicable determinations must be made before the county committee can approve a producer's share on the CCC-509 for payment: a farm-operating plan (CCC-502 and related forms); an average adjusted gross income certification (CCC-526); a certification of compliance with highly erodible land and wetland conservation provisions (AD-1026).

A certification of the acreage of all cropland on the farm (FSA-578) is needed before final payments can be issued.

CDP Sign Up Continues

Sign up for the Crop Disaster Program is continuing. Contrary to rumors that were circulating, no CDP deadline has been announced.

Although the program deadline is not imminent, please don't wait until the last minute to gather your documentation and visit the county office.

Crop Disaster Program will reimburse producers for qualifying crop production and quality losses to crops for either the 2001 or 2002 crops. Payments will be issued for losses exceeding 35 percent of expected production at: 50 percent of the established price for crops that were covered by crop insurance; 50 percent of the established price for crops for which crop insurance was not available; and 45 percent of the established price to producers for crops that could have been insured but were not.

The CDP payments are limited to \$80,000 per producer.

For more information, including how to calculate payments, go online to <http://disaster.fsa.usda.gov>.

Livestock Assistance Program III

Sign up for the Livestock Assistance Program III continues. \$250 million is available cover 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.

| Selected Interest Rates for September 2003 | |
|--|--------|
| 90-Day Treasury Bill | 0.875% |
| Farm Operating - Direct | 3.000% |
| Farm Ownership - Direct | 5.250% |
| Limited Resource | 5.000% |
| Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher | 4.000% |
| Emergency | 3.750% |
| Farm Storage Facility | 3.875% |
| Sugar Storage Facility | 5.000% |
| Commodity Loans 1996-Present | 2.250% |
| 90-Day Treasury Bill | 0.875% |

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 or visit FSA's disaster Web site at <http://disaster.fsa.usda.gov>.

Designation by Land Owner

When a change occurs in the ownership or operation of a farm, a farm reconstitution is in order. For example, if you sell all or part of the farm or someone else starts operating part of the farm, a farm division is in order.

There are seven methods for dividing a farm:

- Estate
- Designation by Landowner
- Contribution (applicable to allotments and quotas)
- Cropland (applicable to allotments and quotas)
- History (applicable to allotments and quotas)
- DCP Cropland (applicable to base acres for tract divisions only),and
- Default (applicable to base acres for farm divisions only).

The designation by landowner method is the division of acreage bases, allotments and quotas in the manner agreed to by the parent farm owner and purchaser or transferee. This method is used when part or all of a farm or a tract is sold.

To use this method, the land that is sold must have been owned for at least three years, and the owner of the parent farm and the purchaser must file a signed written memorandum of understand designating bases, allotments and quotes. The MOU must be filed before the farm is reconstituted or there is any subsequent transfer of ownership.

When using the designation by landowner method, all sellers and buyers must sign a form FSA-155, required in farm reconstitutions.

To be effective for the current fiscal year, the farm division must be requested by the earlier of: Aug. 1 of the fiscal year for farms subject to DCP; or the date planting began or would have begun for farms with tobacco.

A request for a farm division after current fiscal year DCP payments have been made will be processed in the subsequent fiscal year. However, if the producer requests that the reconstitution not be processed in the subsequent fiscal year, all payments shall be refunded. After the payment is refunded, the reconstitution may be processed.

For more information about farm reconstitutions, contact the county office.

CRP Continuous Sign Up

The 26th general CRP sign up ended on June 13, and we're in the process of notifying producers whether their offers were accepted. Eligible cropland that wasn't accepted during the general sign up can be re-offered during the next general sign up or offered under CRP's continuous sign up program.

Environmentally desirable land devoted to certain conservation practices may be enrolled in CRP at any time under continuous sign-up. Offers are automatically accepted provided the land and producer meet certain eligibility requirements. Offers for continuous sign-up are not subject to competitive bidding.

All eligible owners and operators, regardless of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status, shall have an opportunity to submit requests to place land in CRP.

Contact the county office for details or visit <http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>.



Loans, LDPs for Silage

This year's drought has a number of producers harvesting corn and soybeans as silage or hay, and that's raised questions about applying for marketing assistance loans and LDPs.

When loan commodities are harvested as other than grain, they aren't eligible for commodity loans, but they are eligible for LDPs as long as they are mechanically harvested. Grazing is not considered harvested and is not eligible for an LDP.

For purposes of LDPs, loan commodities harvested as silage or hay are treated the same as those harvested as grain. The producer must retain beneficial interest through the date the LDP is requested. LDP's must be requested on a form CCC-633 LDP for stored commodities or a form CCC-709 for commodities immediately delivered or fed during harvest.

While we are not currently making LDPs on corn and soybeans, that doesn't mean we won't be later. Keep good records.

Managed Haying, Grazing

Under CRP's new *managed* haying and grazing provisions, eligible Missouri producers are allowed to hay Conservation Reserve Program land until Oct. 15 and graze livestock until Nov. 15.

The 2002 Farm Bill authorized the managed haying and grazing option to give producers a tool to help them better manage their lands. The periodic disturbance of vegetative cover under managed haying and grazing will increase the diversity and quality of the cover and improve wildlife benefits.

To participate, producers agree to modify existing conservation plans and accept a 25 percent reduction in their annual rental payments.

Under the program, 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 it each year. Producers may not harvest hay and graze livestock on the same land in the same year.

Interest Rates for September

The interest rate for 1995 and prior crop year commodity loans disbursed by USDA's Commodity Credit Corporation (CCC) during September 2003 is 1.250 percent, up from 1.125 percent in August 2003. For 1996 and subsequent crop year commodity and marketing assistance loans, the interest rate for loans disbursed during September 2003 is 2.250 percent, up from 2.125 percent in August 2003. The interest rate for farm storage facility loans approved in September 2003 is 3.875 percent, up from 3.125 in August 2003. The interest rate for sugar storage facility loans is 5.000 percent for September, up from 4.250 in August 2003.

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).