



# Adair County News

January 2009

## Adair County USDA Service Center

**Adair County FSA**  
2410 S Franklin St  
Kirksville, MO 63501  
660-665-3274 (phone)  
660-665-0266 (fax)  
www.fsa.usda.gov/mo

**Hours**  
Monday - Friday  
7:30 a.m. - 4:30 p.m.

**County Committee**  
David Kittle  
Burrel Harris  
Frank Collop  
Charlene Fisher

County Committee  
Meets 1<sup>st</sup> Wednesday of  
each month

**Staff**  
Program Techs  
Barb Snyder  
Dana Thompson  
Jennifer Triplett  
Lisa Denton

**Co Executive Director**  
Philip Ayers

**Farm Loan Manager**  
Curt Corbett



## DCP Sign-up Underway

Sign-up has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can sign-up online or at local FSA Service Centers. Sign-up will continue **until June 1, 2009** and unlike years past, participants **may not enroll** in DCP after June 1 of the applicable contract year. There are **no late-filed provisions** for contract years 2009-2012.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

## Electronic DCP

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at: [www.fsa.usda.gov/dcp](http://www.fsa.usda.gov/dcp) and then click on the "Access eDCP Services" link, under the I "Want to Section". To access this online service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at: <http://www.eauth.egov.usda.gov> and then click on the "Create an Account Page" link, and lastly followed by a visit to the local FSA Service Center for identity verification.

## County Committee Election Results

Congratulations to Burrel Harris! Burrel was re-elected to represent farmers from Benton, Pettis, and Walnut Townships on the county committee. Burrel was elected to his second consecutive term. FSA appreciates all of the voters for taking their time to complete the election ballot. The county committee system works only because of your participation.

The committee members held their organizational meeting on January 7<sup>th</sup> and determined the county committee chairman as David Kittle and vice-chairman as Frank Collop.

## LDP Deadline on Wool, Mohair and Unshorn Pelts

Eligible producers have until **Feb. 2, 2009**, to apply for LDPs for wool, mohair and unshorn pelts produced during the 2008 crop year.

Eligible producers must comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in; produce and shear eligible wool and mohair or produce an unshorn pelt from a slaughtered lamb for unshorn pelts; have beneficial interest in the commodity; own the sheep and goats that produce the wool and mohair for a period of not less than 30 calendar days before shearing, or in the case of unshorn lambs, 30 days prior to slaughtering the lambs; for unshorn pelts only, and sell the unshorn lamb for immediate slaughter or slaughter the unshorn lamb for personal use.

To qualify for payment, the wool or mohair must be produced and shorn from live animals of domestic origin in the United States or be produced from a live unshorn lamb of domestic origin in the United States at the time beneficial interest was lost.

## Payment Limits & Direct Attribution

For commodity and disaster programs under the new farm bill, the Adjusted Gross Income (AGI) limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI of \$500,000** such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) personal labor or active personal management, or a combination.



Under rules in effect since 1988, not every member of an entity had to contribute active personal labor or management. The interim final rule requires each partner, stockholder, or member with an ownership interest to make a contribution of active personal labor or active personal management. The contribution must be regular and substantial, and documented as well as separate and distinct from any other member's contribution. The rule limits the ability of passive stockholders to continue to realize benefits from the entity.



Selected Interest Rates for January 2009	
90-Day Treasury Bill	.500%
Farm Operating Loans — Direct	3.000%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Beginning Farmer Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	2.125%
Sugar Storage Facility Loans	3.500%
Commodity Loans 1996-Present	1.625%

## Loans for Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms.

While all qualified producers are eligible to apply for these loan programs, the FSA has targeted funding for members of Socially Disadvantaged Applicants. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

For detailed information on loan eligibility or the different loan programs available, contact your local FSA office to setup an appointment with a Loan Approval Official. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## Financial Inquiries for FSA Producers

January signals the beginning of a new year, and a time to gather financial records and start thinking about filling out a 1040. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data through Financial Inquiries for FSA Producers. The site is available under Online Services on the Missouri FSA webpage at <http://www.fsa.usda.gov/mo>

If you need to inquire about a particular electronic deposit, program payment, debt, or 1099G – USDA Level 2 customers can to here to view financial information. Note: Financial information is not currently available through the Customer Statement.

## MILC Sign-Up Underway

Sign-up for the Milk Income Loss Contract Program (MILC) is underway and will be conducted in two phases. The initial sign-up phase began on Dec. 22, 2008, and will end on Jan. 21, 2009. During the 30 calendar day initial sign-up phase, producers may submit CCC-580's and can make either of the following MILC production start month selections.

- The month CCC-580 is submitted and any month that precedes the month CCC-580 is submitted;
- Any month remaining in Fiscal Year (FY) 2009, according to normal start month selection provisions; or
- FY 2010 through 2012, any month for each FY may also be selected during the initial sign-up phase according to normal production start month provisions.

The extended sign-up phase begins on Jan. 22, 2009 after the initial sign-up ends. The extended sign-up will continue throughout the duration of the MILC program, ending on September 30, 2012. Producers that submit CCC-580's during the extended sign-up can select as the MILC production start month for their dairy operation either:

- The month the CCC-580 is submitted or
- From the remaining months in FY in which CCC-580 is submitted for which the payment rate is not known and according to MILC production start month selection provisions.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk. The 2008 Farm Bill made changes to the provisions for payment eligibility and Adjusted Gross Income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits. For more information on the MILC program, contact your local FSA office.

## Applications for FSA Loans

Farmers who intend to apply to FSA for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Not applying early can result in a delay in processing loans due to volume of applications that must be processed in date order. Contact your local FSA Loan Approval Official for more details and as-

sistance in applying.

## County Committee Minority Advisors

FSA County Committee (COC) Advisors are a valued voice for under-represented groups and socially disadvantaged farmers and ranchers. County committee members and their county executive directors, actively reach out to producer groups who are under-represented on county committees.

Eligibility requirements for COC Advisor nominee include:

- be actively participating in farming or ranching in the county or area;
- be willing and available to serve as an advisor, if appointed; and
- indicate in writing their willingness to serve.

Duties and Responsibilities of COC Advisors include:

- attending each COC meeting, including executive sessions;
- participating in all deliberations;
- increasing awareness of and participation in FSA activities, including elections, by eligible voters to ensure that socially disadvantaged group problems and viewpoints are understood and considered in FSA actions;
- helping to develop interest and incentives in socially disadvantaged group members for considering FSA work as a career;
- actively soliciting candidates from socially disadvantaged groups for nomination during the election process; and
- able to perform special duties at COC's request.

The Adair County Committee has re-nominated Charlene Fisher to a second term as minority advisor. The term will begin March 1st, 2009. County Committee advisors serve for a 12-month period not to exceed 9 consecutive years.

## Faxed Signatures

Certain faxed signatures shall be accepted for all applicable program forms or other documents approved for faxed signatures, if all other signature requirements are met.

## New Employee!

The Adair County FSA welcomes Lisa Denton as our new Program Technician in Farm Loans. Lisa and her husband, Dale, reside in Kirksville and have 2 children. Be sure to stop in the office sometime and meet our new employee.



## Special Accommodations

Special accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

## Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

## Power of Attorney

FSA has a required power of attorney form (FSA-211) available for those who find it difficult to visit the county office. This form enables the participant to designate another person to conduct his or her business at the office. The form is available at your local USDA Service Center or online at:  
[http://forms.sc.egov.usda.gov/efcommon/eFileServices/Forms/FSA0211-0211A\\_081217V02.pdf](http://forms.sc.egov.usda.gov/efcommon/eFileServices/Forms/FSA0211-0211A_081217V02.pdf).

Dates to Remember	
Jan. 19	Martin Luther's Day Holiday. <b>FSA Offices Closed.</b>
Feb. 2	<b>Deadline</b> on 2008 LDPs for wool, mohair and unshorn lamb pelts.
Feb. 16	President's Day Holiday. <b>FSA Offices Closed.</b>
Mar. 16	Deadline to obtain 2009 NAP coverage on spring planted crops.
Mar. 31	Final Availability for 2008 crop wheat, barley, oats, honey loans and LDPs.
Continues	Farm Storage Facility Loan Program.
Continues	Continuous Conservation Reserve program.

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