



July 2008

Atchison County Newsletter

Atchison County USDA Service Center

Atchison County FSA
302 E. Hwy 136
Rock Port, MO 64482
(660) 744-5328 (Phone)
(660) 744-5536 (Fax)

Hours
Monday – Friday
8:00 a.m. – 4:30 p.m.

County Committee
Duane Klute, Chairperson
Craig Heits, Vice Chair
Julie Joesting, Member

Staff
County Executive Director
Corey Leshner

Farm Loan Manager
Bob Dreyer

Farm Loan Officer
Roger Uptergrove

Program Technicians
Nancy Daugherty
Pam Husing
Patricia Lane
Marilyn Thurnau
Karen Vette

Field Assistant
Chuck Linthicum
Robert Smith

2007 ECP
Deadline is July 30th – Work must be completed by this date or applications will be cancelled.

Helpful Websites

www.fsa.usda.gov

<http://disaster.fsa.usda.gov>

Well, once again this has been an eventful summer with all the rain and flooding. It has become very eventful in the FSA office as well. Since the last newsletter, sign up for 2008 DCP has begun, Atchison County has been approved to implement 2008 ECP, crop reporting is in full swing, CRP managed haying / grazing is available and details are becoming available about other programs as a result of the new Farm Bill. This newsletter is devoted to current programs, so it is very important to read through each item.

Due to the multiple programs available, I want to encourage you to call prior to visiting the office so we can prepare as much as possible prior to your arrival.

I want to thank you in advance for your patience and understanding during this very busy time.

Corey Leshner

Direct and Counter-Cyclical Program Sign-Up: June 25 – Sept. 30, 2008

The 2008 DCP Signup period started June 25, 2008 and runs through **September 30, 2008**. The rules for 2008 will be basically the same as the 2007 DCP Program. One main change however, is that farms with bases totaling 10 acres or less can not receive payment unless the owner or owners are eligible as a Limited Resource **or** Socially Disadvantaged producer. This requirement is for the Farm **Owner** – if the owner is eligible then anyone sharing on that farm is eligible including any tenants/operators that wouldn't meet the exception. To be eligible the farm must be wholly owned by someone meeting one of the exceptions or an entity that is completely made up of members that meet the exceptions. Farms jointly owned by husband and wife would only be eligible if both could meet one of the exceptions. *(A Socially Disadvantaged person is defined as a member of a group who has been subject to racial, ethnic or gender prejudice because of their identity to a group rather than their individual qualities and a Limited Resource farmer for our area is one whose gross farm sales is less than \$116,800 and has a total household adjusted gross income of less than \$19,350 in the previous 2 yrs.)*

Producers may request a 22% advance DCP direct payment for 2008 beginning in July. Final payments will be issued after the first of October. To be eligible to receive payments producers will be required to comply with applicable soil and water conservation and wetland requirements as in the past, use the base acres for an agricultural or conserving use, control noxious weeds on base acres not cropped, file an acreage report and if participating in ACRE, beginning in 2009, a production report.

The '08-'12 crop base acres and farm payment yields in our area will remain the same. Direct Payments and price protection are only slightly less. A few provisions for 2009 – 2012 have changed: the non-farm income cap for eligibility to receive program payments was dropped to \$500,000 and reduces the cap on farm income to \$750,000. Direct & counter-cyclical payments are capped similar to '07 at \$40,000 & \$65,000. However, they are capped at \$32,000 & \$75,000 if participating in ACRE which is a new **Average Crop Revenue Election Program** with a state-based revenue guarantee based on a 5-year state average yield and a 2-year national average price. It provides payments to farmers when the actual state revenue for a crop is less than its revenue guarantee. Preliminary 2009-12 rules & current regulations can be viewed on our website at www.fsa.usda.gov.

Emergency Conservation Program (ECP)

Due to the heavy rains and flooding that occurred during **May & June of 2008**, the following practices will be available under the ECP:

- EC1 – Removing Debris from Farmland
- EC2 – Grading, Shaping, Re-leveling or Similar Measures
- EC3 – Restoring Permanent Fences
- EC4 – Restoring Conservation Structures and Other Measures

Land eligibility will be determined based on on-site inspections of damage, taking into account the type and extent of damage. For land to be eligible, the disaster must have created new conservation problems that, if untreated, would impair or endanger the land and materially affect its productive capacity. Under the program, cost-share monies would be available for the practices mentioned above.

To qualify for cost-share assistance producers must have suffered at least \$1,000 of eligible cost share expenses. Producers are not eligible to receive compensation to rehabilitate any land on which they are already required to maintain the practice, which includes land under any other Federal or State cost-share program (example – terraces built using cost-share from Soil and Water Districts within the last 10 years). Levees or the land between the levee and the river are not eligible for cost-share under the ECP program. Land on which cost-share assistance is received must maintain its agricultural use for a minimum of 10 years following the year the practice is completed.

Sign-up for ECP will be July 14th – September 12th. Producers should apply for assistance at their local FSA office before beginning the repairs or removing debris from their acreages. However, if repairs have already begun then producers must apply for assistance within 15 days of the program beginning date. Also, producers should take pictures of the damage and document the repairs they make if they make them before it has been inspected by an FSA official.

2008 Crop Acreage Reporting Deadline Extended to August 15th.

The delays in the announcement of the 2008 Farm Bill and weather conditions have contributed to the extension of the deadline for 2008 only. Acreage reports are required in order to be eligible for program benefits if participating in DCP, CRP or apply for grain loans or LDP payments. Producers need to report all cropland on the farm including wheat, all planted spring crops, prevented planting, and failed acres, CRP, pecans, hay and pasture by **August 15th**. **You will need to bring your planting dates with you.** Filing an accurate acreage report for all crops and land uses, including failed acreage & prevented planting acreage, can prevent the loss of benefits for a variety of programs. Acreage reported after the Aug. 15 deadline will be considered late filed and a measurement service fee (minimum \$46/farm) will be charged for a field visit to verify physical evidence.

Risk Management Agency (RMA) has also extended the date for insured producers to file their insured acreage reports to Aug 15 but encourages producers to file reports at their earliest opportunity so claims can be worked. When reporting to RMA & FSA producers should identify any land coming into production that has not been cropped in the last 3 years to insure you meet sobduster requirements.(Land in CRP is considered cropped)

Failed & Prevented Planting Acres: Producers need to report prevented planted or damaged crops to the FSA office to receive history or disaster credit. This applies to all crops, whether covered by crop insurance or not. This will provide FSA with a historical record of your crop should disaster assistance become available as it has in past years. Currently Crop Disaster benefits through FSA are only available to producers who are insured under Federal Crop Insurance (FCIC) or have Non-insured Assistance Program (NAP) coverage through FSA on uninsurable crops.

Producers who have their crops insured through a private crop insurance company should contact their insurance agent immediately and advise them of the damaged crops. Also a Notice of Loss Application must be completed in person at the FSA office, and the prevented and/or failed acres reported. It is important that producers file a Notice of Loss Application to report crop losses before the disposition of the crop and within 15 days of the date damage occurred or 15 days from the date damage is apparent.

REMINDER: *Reported planted acreage, prevented planted & failed acreage, shares and farming entities should be consistent with crop insurance, and crop sales receipts. When producers report differently than the way they actually operate, they may be considered ineligible for program benefits or may be required to refund benefits. Producers may want to report your PP acres to your crop insurance agent first as RMA eligible PP acres for payment may be different than allowed PP acres for FSA (FSA max PP ac is max ac planted in any one of last 4 years)*

County Committee Nominations

Aug. 1 is the deadline for farmers to nominate themselves or eligible peers as candidates for election to the FSA County Committee. It is important for all agricultural producers to be represented, especially minority and beginning farmers. Committee persons play a vital role by helping local producers manage tough financial times and natural disasters. Nominees this year need to reside in Local Administrative Area I, which includes the townships of Buchanan, Nishnabotna, and Polk Townships. Nomination forms are available from your local USDA Service Center. Ballots will be mailed to eligible voters Nov. 3rd and must be returned by Dec. 1. New members take office Jan. 1, 2009.

Emergency Loans Available

Due to recent storms, our county has received disaster declarations that allow us to process Emergency Loan applications. Emergency loan funds may be used to: Restore or replace essential property; Pay all or part of production costs associated with the disaster year; Pay essential family living expenses; Reorganize the farming operation; and Refinance certain debts.

Emergency loans may be made to farmers and ranchers who: Own or operate land located in a county declared by the President as a disaster area or designated by the Secretary of Agriculture as a disaster area or quarantine area (for physical losses only, the FSA Administrator may authorize emergency loan assistance); Are established family farm operators and have sufficient farming or ranching experience; Are citizens or permanent residents of the United States; Have suffered at least a 30-percent loss in crop production or a physical loss to livestock, livestock products, real estate, or chattel property; Have an acceptable credit history; Are unable to receive credit from commercial sources; Can provide collateral to secure the loan; and Have repayment ability.

FSA loan requirements are different from those of other lenders. Some of the more significant differences are the following: Borrowers must keep acceptable farm records; Borrowers must operate in accordance with a farm plan they develop and agree to with local FSA staff; and Borrowers may be required to participate in a financial management-training program and obtain crop insurance.

All emergency loans must be fully collateralized. The specific type of collateral may vary depending on the loan purpose, repayment ability and the individual circumstances of the applicant. If applicants cannot provide adequate collateral, their repayment ability may be considered as collateral to secure the loan. A first lien is required on property or products acquired, produced, or refinanced with loan funds.

Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

Loans for crop, livestock, and non-real estate losses are normally repaid within 1 to 7 years; depending on the loan purpose, repayment ability, and collateral available as loan security. In special circumstances, terms of up to 20 years may be authorized. Loans for physical losses to real estate are normally repaid within 30 years. In certain circumstances, repayment may be made over a maximum of 40 years.

The current annual interest rate for emergency loans is 3.75 percent. Applications for emergency loans must be received within 8 months of the county's disaster or quarantine designation date.

Borrowers who receive temporary assistance are expected to return to conventional credit sources. Emergency loans are a temporary source of credit, and borrowers are reviewed periodically to determine whether they can return to commercial credit.

For More Information, contact Bob Dreyer or Roger Uptergrove

USDA Announces a Temporary Restraining Order in Effect for CRP Permitted Use for Livestock Feed Needs

The office had been accepting applications to release CRP acreage for haying and grazing under critical feed use regulations. These regulations allowed for haying or grazing on up to ½ of each field for a fee of \$75 per contract. On July 8, 2008 a Federal Judge granted a Temporary Restraining Order (TRO) regarding the Critical Feed Use initiative. This restraining order suspended FSA's authority to process or approve these releases. Producers who were previously approved are no longer authorized to hay or graze CRP acreage beginning on July 16, 2008 under "Critical Feed Use" provisions. Until further notice haying or grazing under Critical Feed Use regulations will be considered an unauthorized activity on CRP land. The Temporary Restraining Order is in effect until modified by the Court. A hearing has been scheduled and hopefully this issue will be resolved shortly. Contact your local FSA office if you have any questions regarding this information.

Crop Disaster Sign-up Continues and Quality Sign-up Begins

Eligible farmers and producers who suffered crop loss damage between Jan. 1, 2005, and Dec. 31, 2007, can still apply to receive disaster assistance. FSA continues to accept applications and make payments for quantity losses under the Crop Disaster Program (CDP), for losses that occurred before the end of the 2007 calendar year.

Also, sign-up for quality losses under the CDP has begun at the county offices. **For quality losses**, producers must apply for quantity loss to be eligible to apply for a quality loss. However, producers do not need to qualify for a quantity loss. In addition, the requirement for Crop Insurance or NAP coverage still applies. **Quality loss participants will be required to provide actual production evidence. The actual production evidence will need to show the quantity, price AND quality factors.**

Stored and fed production must have a quality test indicating quality and quantity by January 1 of the year following harvest.

Farm Service Agency
 Atchison County Office
 302 E. Hwy 136
 Rock Port, MO 64482

Dates To Remember

July 14	2008 ECP Signup Begins
July 16	CRP Managed Haying / Grazing Begins
July 18	Livestock Compensation Program Deadline
July 30	2007 ECP Deadline
August 1	COC Nomination Ends
August 15	Crop Reporting Deadline
September 16	SURE Fee Deadline
September 30	2008 DCP Deadline
September 30	CRP Critical Feed Signup Deadline

Supplemental Revenue Program (SURE)

There are many questions concerning the disaster portion of the Farm Bill and the SURE program in particular that we do not have answers for at this time. We do know that to be eligible the producer will be required to have **all crops** in all counties covered by NAP or insurance if applicable. Producer's, for 2008 only, will have the opportunity to pay the fees now for 2008 for both CAT insurance and NAP (\$100 per crop) in order to get eligible for SURE assistance. We should have the capability to collect these CAT and NAP fees soon. Producers will not have coverage under NAP and insurance for 2008, the fees only allow them to be eligible for SURE. **The fees for 2008 must be paid by September 16th for a producer to be eligible for SURE.**

For 2009 and future years the fees would have to be paid by the regular sales closing deadlines and the producer would actually have coverage for NAP and/or Insurance.

SURE will not offer payments for specific crop losses, but rather will provide assistance for overall Revenue losses which is computed based on all commodities produced. Producers can be eligible in a county that has a Secretarial Disaster Designation or are adjacent to one or if the producer has a greater than 50% loss regardless of county designation. The SURE program will not offer any immediate payments to producers who are suffering from the current weather conditions. Payments could not be computed until marketing prices and farm revenue can be computed sometime next year.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (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 to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.