



March 2010

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
Craig Heits, Chairperson
Julie Joesting, Vice-Chair
Roger Martin, Member

Meets 2nd Wednesday of every month at 8:00 a.m.

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
Robert Smith

Consent to Disclosure of Tax Information forms must be submitted by every producer or entity.

See page 2

I never thought I would be as happy to see mud as I have been this year. It has been a long winter, but I think our winter weather may finally be coming to an end. DCP / ACRE sign up is in full swing with a deadline to enroll of June 1, 2010. Producers may want to visit the office now to enroll, before the spring field work begins.

Another program with a lot of producer interest right now is the Supplemental Revenue Assistance Program (SURE). This program provides benefits for farm revenue losses due to a natural disaster in crop year 2008. For full details on eligibility for the SURE, see the enclosed article titled *SURE Sign Up Continues*.

Producers are reminded that all farms must remain in conservation compliance. The wet weather we had this past fall and moisture we've received in the county this winter may have caused some additional ruts and / or ditches to form in some crop fields. A weather related variance may be requested to repair some of these problem areas, but must be done prior to completing any fieldwork. Please see the article titled *Conservation Compliance / Weather Variance for Ruts in Fields* for full details.

Other topics included in this newsletter include:

- Livestock Indemnity Program (LIP) Update
- New Forms must be Submitted to IRS by Every Producer
- Farm Loan Programs
- USDA Rural Development
- Current Interest Rates
- Dates to remember

Please contact the office if you have any questions.

Corey Leshner

Dates To Remember:

- March 31st - Deadline to acquire a loan on 2009 small grains
- June 1st - Deadline to acquire a loan on 2009 corn and soybeans
- June 1st - DCP / ACRE sign up deadline

DCP / ACRE Sign Up Continues

Signup for the 2010 Direct and Counter-Cyclical Program (DCP) and Average Crop Revenue Election (ACRE) program continues until June 1, 2010. The June 1, 2010 deadline is mandatory for all participants. All contracts must be completed with all required signatures by this date. FSA will not accept any late filed applications.

FSA computes DCP 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 2010, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-Cyclical payment rates vary depending on market prices and are only issued when the effective price for a commodity is statutorily set below its target price.

Eligible producers for DCP are also eligible to enroll into the ACRE program as an alternative to the counter-cyclical portion of DCP. The enrollment period for ACRE began last fall. You may first enroll into DCP, receive advance direct payments and then later modify your enrollment to the ACRE program. Contact the office to get signed up today.



New Form Must be Submitted to IRS by Every Producer

USDA recently announced a new process to ensure persons whose adjusted gross incomes exceed program limitations are not fraudulently receiving FSA payments.

Producers receiving payments under the 2008 Farm Bill are required to annually certify their average Adjusted Gross Income (AGI) is below the following limits:

- \$500,000 non-farm average AGI for commodity and disaster programs.
- \$750,000 farm average AGI for Direct payments
- \$1 Million non-farm average AGI for conservation programs.

Through implementation of a verification process, USDA and IRS are cooperating to ensure compliance with these limits and streamline payments to family farmers.

To remain eligible for certain 2009 and 2010 FSA payments, individuals and legal entities will be required to file a **2009 and / or 2010 Consent To Disclosure of Tax Information form (CCC-927 or CCC-928)** with the IRS. By filing this form, producers authorize IRS to disclose to USDA the accuracy of each producer's certifications regarding the AGI limits listed previously. IRS will report to USDA a "Yes" or "No" answer about each producer's eligibility, but **will not** provide actual tax data to USDA.

If you receive payments from FSA, you can request the forms from your local FSA office or go online at <http://forms.sc.egov.usda.gov>. All persons directly or indirectly receiving program benefits must submit a consent form to retain their USDA benefits subject to AGI provisions.

It is the producer's responsibility to submit the applicable form to IRS. Failure to do so will result in a noncompliant determination for AGI and the loss of all USDA benefits.

Livestock Indemnity Program (LIP)

The Livestock Indemnity Program (LIP) will compensate producers for livestock death losses due to adverse weather in excess of normal mortality. Eligible ranchers and livestock producers must **file a notice of loss within 30 calendar days of when the loss of livestock is apparent** and an application for payment no later than January 30th of the following year in which the loss occurred. Eligible livestock for owners under LIP include adult / non-adult dairy and beef cattle, sheep, goats, poultry, and swine to name a few.



Before a LIP application can be approved, producers will need to document that a severe or extreme weather event occurred. A qualifying weather "event" means weather that is abnormal weather for that time of year. FSA can assist with this documentation. If the weather event is extreme cold then it must be sustained cold over at least a 5 day period for claims on adult animals. A shorter timeframe could be utilized for claims on newborn livestock.

It will be the producer's responsibility to provide other documentation as required. In order to consider an application complete, some of the following may be required:

- Date of death loss
- Date or date range and type of weather event
- Documented livestock inventory at the time of the event
- How the extreme weather caused the death loss
- Approximate age, weight, and condition of the animals lost
- Outline steps taken to mitigate the weather event
- Management practices
- Veterinary certifications including cause of death

Producers who do not have a vet certification must also provide a third party verification as a part of their application on form FSA-926. The documentation should include specific details such as:

- Date and type of weather event
- Condition of livestock at time of death
- Livestock location and date when last witnessed alive
- Livestock location and date when witnessed deceased
- Cause of livestock death

For more information on the LIP program please contact the FSA office.

Conservation Compliance / Weather Variance for Ruts in Fields

This is a reminder from the Atchison County NRCS Office to producers that CONSERVATION COMPLIANCE still exists. All people participating in USDA programs still have an obligation to be in “compliance” with the original provisions of the 1985 Food Security Act. To remain eligible to participate in USDA programs, which includes the Farm Service Agency’s programs, you must be following an approved conservation plan/system that reduces soil loss to acceptable levels on erodible cropland.



In the late 1990s and early 2000s, many producers were no-till planting their crops (both corn and soybeans). No-till can have the single largest impact on reducing soil erosion and aid farmers with meeting conservation compliance. As we have progressed into the latter half of this decade, there appears to be less no-till planting going on.

The 2008 farm bill has changed the way the NRCS evaluates “compliance”. In prior years NRCS was able to evaluate a 5 year tillage and crop rotation to determine soil loss. The 2008 Farm Bill allows only the evaluation of the Fall 2009/Spring 2010 tillage practices, the 2010 crop, and the crop residue remaining after planting to determine soil loss for the upcoming 2010 compliance status reviews. Needless to say, if the tillage practices and crop rotation you will be using during the 2010 crop year are not part of your conservation plan it could be difficult to show you are following an approved conservation system.

WEATHER RELATED VARIANCE: Due to extremely wet conditions last fall, producers in Missouri will be allowed to till areas with ruts caused by harvest equipment prior to planting on erodible fields. **To be eligible for this variance you will have to visit the NRCS office and request permission to till ruts prior to any field work.**

Please consider this as a friendly reminder to make sure you are following a conservation plan/system for the 2010 crop year. If you are not sure what your conservation plan includes or have questions concerning the information provided above, please contact us. Being found in **NON-COMPLIANCE** can be a serious issue and very expensive due to fines and / or denial of USDA benefits.

SURE Sign Up Continues

Currently applications for the Supplemental Revenue Assistance Program (SURE) are being taken for the 2008 crop year. SURE provides benefits for farm revenue losses that were incurred due to natural disasters starting in crop year 2008 through September 30, 2011. To be eligible for SURE payments, a producer was or is required to obtain crop insurance on all crops of economic significance in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP), except for grazed acreage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:

- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition,
- the crop of economic significance must be a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm,
- the farm experiencing the loss must be in a county declared a disaster county by the Secretary of Agriculture, or in contiguous counties. Those who show proof of an individual loss of at least 50% are also eligible to receive SURE payments for production losses or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

To apply for 2008 SURE benefits producers should contact the Atchison County FSA Office and have their name placed on the register.

Selected Interest Rates For March 2010

90 Day Treasury Bill	0.125%	Farm Operating Loans—Direct	3.00%
Farm Ownership Loans—Direct	5.125%	Limited Resource Loans	5.00%
Farm Ownership Loans—Direct Down Payment, Beginning Farmer, Rancher or Socially Disadvantaged	1.50%	Emergency Loans	3.75%
Farm Storage Facility Loans—7 year	3.125%	Farm Storage Facility Loans—12 year	4.00%
Farm Storage Facility Loans—10 year	3.625%	Commodity Loans 1996-Present	1.375%

FSA Farm Loans

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.



Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, loans to beginning farmers and loans for socially disadvantaged applicants are also available through FSA.

For detailed information on loan eligibility or the different available loan programs, contact the county office staff for an appointment with farm loan personnel.

Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000. Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

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.