



January 2009

Clinton County News

Clinton County FSA
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Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Mary Ann Barmann
Jerald Grimes
George Silvius

The COC meets the first
Thursday of each month at
9:00 a.m.

STAFF
Chris Broderick, PT
Peggy Rapp, PT
Norma Stransky, PT

Kent Allen, CED

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2009 DCP SIGN UP

Sign-up for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres is under way, and continues through June 1, 2009.

The June 1, 2009 DCP sign-up deadline is law. Late-filed applications will not be accepted.

DCP Program payments are calculated 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, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. The 2009 Final DCP payments will be issued in October.

Interested producers should call the office to schedule their enrollment appointment. The new farm bill requires that each producer completes all new eligibility and payment limitation forms. When scheduling your appointment please remember to inform us of any changes or updates to your farming operation. This will allow us to further prepare for your arrival, and greatly reduce your time spent in the county office.

Producers may also sign-up using the eDCP automated website. It is available to all producers who are eligible to participate in the DCP Program and can be accessed at <http://www.fsa.usda.gov/dcp>. If you sign-up on the web, a subsequent visit to the county office will be needed to complete the new eligibility and payment limitation forms.

Average Crop Revenue Election (ACRE) Program

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 be announced some time this Spring.

The optional ACRE Program provides a safety net based on State revenue losses. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year State price for each eligible commodity.

An ACRE payment is issued when both the State and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the State revenue times the ratio of the farm's yield divided by the State expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm.

In exchange for participating in ACRE a farm's DCP direct payment is reduced by 20 percent, it is not eligible to receiving counter-cyclical payments, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program may be made during any year from 2009-2012. But, once enrolled, the farm will remain in ACRE through the 2012 crop year. The owner of the farm and all producers on the farm must agree to enroll in ACRE.

Further details will be provided when the finalized regulations are released.

CRP "SAFE" Sign up Continues

Sign up for the new Conservation Reserve Program (CRP) practice called SAFE, State Acres for Wildlife Enhancement, is underway. Producers in Missouri can qualify for annual CRP payments in return for establishing wildlife habitat restoration areas on eligible cropland acreage. This program targets entire fields, not just field borders and is designed specifically to restore habitat for Bob-White Quail. While FSA will administer the program, the Missouri Department of Conservation (MDC) and Natural Resource Conservation Service (NRCS) will be involved for technical determinations.

The contract length for SAFE is 14 to 15 years and the annual payment rate is based on the soil type. 50% cost-share and additional incentive payments are available, including a lump-sum incentive payment equal to \$100/acre and an additional 40% cost-share.

Fields will be seeded to an approved cover in accordance with a conservation plan to be developed by MDC or NRCS. 10% to 20% of the field will be devoted to a wildlife food plot and 1% will be established in a dense woody cover. SAFE cannot be used in the same field as an existing CP-33 (Habitat Buffer for Upland Birds).

As with all CRP practices, the land offered for SAFE must be eligible cropland that has a cropping history and is physically capable of being planted in a normal manner to an agricultural commodity. The land cannot be under a federal easement that restricts its use or already be enrolled in CRP.

Please contact the office for complete details.

New AGI Rules

For 2009-2012 commodity and disaster programs, the Average Adjusted Gross Income (AGI) limitation to qualify for program benefits was reduced from \$2.5 million AGI from all sources to a three-year average non-farm AGI of \$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 but that doesn't affect counter-cyclical payments.

For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. Also individuals or entities with non-farm AGI in excess of \$1 million remain eligible for conservation programs if 66.66 percent or more of the total AGI is derived from farming.

The three entity rule no longer applies and program payments are now limited by direct attribution to individuals or entities. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Spouses are now eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Individuals & entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for payments & benefits which means - 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.

The 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, substantial, and documented as separate and distinct from any other member's contribution. This may limit the ability of passive stockholders to receive benefits. Producers need to provide current information for FSA to verify ownership and signature authority for all entities requesting program benefits.

Payment limits per person are \$40,000 for direct payments, \$65,000 for Counter Cyclical or ACRE payments, \$50,000 for CRP, and \$100,000 for NAP/SURE/LFP.

Supplemental Revenue Assistance Program (SURE)

To remain eligible for disaster assistance under the SURE program, producers must purchase at least catastrophic risk protection (CAT) coverage for all their insurable crops and Noninsured Crop Disaster Assistance Program (NAP) coverage for all their non-insurable crops. **In order to remain eligible for the new disaster programs, every crop in every county that a producer has an interest in must be covered by either CAT or NAP coverage, unless one of the following exemptions apply.**

1. Acres that are **grazed only** do not require insurance.
2. Any crop valued at less than 5% of the total expected value of all crops grown by the producer does not require insurance.
3. Any NAP crop with a total value less than \$9,090.90 does not require insurance.

Socially disadvantaged producers, limited resource producers, and beginning farmers are exempt from paying the fees, but still must request coverage.

CAT coverage can be obtained from a FCIC agent. NAP coverage can be obtained at your local FSA office. **The deadline to obtain CAT and NAP coverage for spring-seeded crops is March 15th. No late-filed applications will be accepted.**

The fees for NAP coverage are \$250 per crop, but not more than \$750 per county, or \$1875 total per producer, for all counties. Contact your crop insurance agent for CAT fee rates.

Please Contact your local FSA office for additional information on the SURE program.

**Visit our FSA website at:
www.fsa.usda.gov/mo**

County Committee Election Results

Congratulations to Mary Ann Barmann! Mary Ann was re-elected to the FSA Clinton County Committee. Mary Ann will be serving her second term representing producers in Lafayette, Atchison, and Hardin townships.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

WOULD YOU LIKE TO GREATLY REDUCE YOUR TIME SPENT IN THE FSA OFFICE?

If so, please call 816-539-2136, ext 2 to schedule your appointment prior to visiting us! Scheduling appointments allows us to prepare for your arrival and **greatly** reduces your waiting time.



New Program Payment Procedures

A procedural change in early December eliminated the issuance of Commodity Credit Corporation (CCC) checks directly from the county office. All payments will now be made by direct deposit to your bank account or by a check issued from the U.S. Treasury and mailed to your address. This includes loan disbursements and refunds from loan repayments. If you obtain a CCC grain loan or facility loan and a joint payment is needed, it requires a check printed by the Treasury which will delay the process for a few extra days. If a joint check is not required, and the funds are deposited in your bank account, it will take 2 to 3 days. If you have not signed up for direct deposit yet, you may want to consider that option. If you make a change in a bank or an account number, be sure to notify us to avoid additional delays in receiving your payments.

Foreign Investors Who Hold Agricultural Land

Foreign investors, who buy, sell or hold a direct or indirect interest in U.S. agricultural land must report their holdings and transactions to the U.S. Secretary of Agriculture. Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agricultural land. Foreign persons who are buying or selling land must report the transaction **within 90 days of the date of the transaction.**

Who Must Report:

- Individuals who are not U.S. citizens or citizens of the Northern Mariana Islands or the Trust Territory of the Pacific Islands;
- Individuals who are not lawfully admitted to the U.S. for permanent residence or who are not paroled into the U.S. under the Immigration and Nationality Act;
- Any organization created under laws of a foreign government or which has located its principle place of business outside the U.S.;
- Any U.S. organization in which a significant interest or substantial control is directly or indirectly held by foreign individuals, organizations or governments; and
- Any foreign governments.

What to Report:

- Each tract of agricultural land in the U.S., its territories, the Northern Mariana Islands and the Trust Territories of the Pacific Islands owned by persons required to report; and
- Leaseholds of 10 years or more.

Individuals wanting to obtain an AFIDA report form (FSA-153) may do so from any FSA County office. You can also go on-line and download the form at:

http://forms.sc.egov.usda.gov/efcommon/eFileServices/Forms/FSA0153_010524V02.pdf.

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 hundred-weight (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.

1099-G Mailed End of January

A summary of all earned payments during the 2008 calendar year will be mailed to program participants during the last week of January. If you do not receive a 1099-G and believe that you should have, or if you have questions about your 1099-G, contact your local FSA office.

Dates to Remember

Feb. 2	Deadline to submit 2008 LDPs for wool, mohair and unshorn lamb pelts.
Feb. 16	President's Day Holiday. USDA Offices Closed.
Mar. 16	Deadline to obtain 2009 NAP coverage on spring planted crops.
Mar. 31	Final Availability for 2008 crop wheat, barley, oats, and LDPs.
June 1	Deadline to enroll in 2009 DCP
Continues	Farm Storage Facility Loan Program
Continues	Continuous Conservation Reserve Program

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