



Clinton County News

February 2010

Clinton County FSA Supplemental Revenue Assistance (SURE) sign-up Begins

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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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HEL and Wetland
Compliance
Reminder

You should be
receiving your
yearly 1099
in the mail!

Sign up for the Supplemental Revenue Assistance Program (SURE) on 2008 crops is under way. SURE is a permanent disaster program created by the 2008 Farm Bill that replaces the previous “ad-hoc” crop disaster programs of the past. Unlike those disaster programs that paid for losses by unit and crop, **the SURE program is a “total farm” disaster program.** This revenue based program compares crops’ expected revenue and program guarantee dollar amounts to the actual crop revenue of the entire farming operation. **Entire farming operation refers to all farms and all interests, in all counties.**

In order to be eligible for payments under SURE, you are required to have carried insurance at the CAT level or better on all insurable crops and NAP coverage on all non-insurable crops (hay for example) with an economic significance of 5% or greater, within the farming operation. In 2009 and subsequent years, RMA’s Rainfall Index policy is acceptable coverage for hay acres. For the SURE program, grazing acres do not require coverage.

The SURE program is available to eligible producers if two ‘triggers’ are met. First, the county must have received a Secretarial Disaster Declaration due to natural disaster, or be contiguous to a county with the declaration. Clinton County had a Secretarial Disaster Declaration in 2008. Second, **at least one crop of economic significance in a producer’s operation must have a 10% crop production loss.** For qualifying producers, if the total farm revenue is less than the SURE program guarantee, the SURE payment is made at 60% of the difference. The SURE guarantee is very similar to a producer’s crop insurance guarantee. Depending on the coverage levels, the higher the coverage the higher the guarantee level will be. There is an online calculator that can help producers estimate probable payments. You may access the calculator at www.fsa.usda.gov/mo.

If you believe that you might be eligible for SURE, please call 816-539-2136, ext 2. We will access your RMA (crop insurance) informational downloads and discuss the applicable eligibility requirements with you prior to your office visit.

Since the SURE program is available through 2011, as a producer, you can prepare your operation for SURE eligibility by insuring all economically significant crops in all counties each year.

2010 DCP Signup

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract. USDA 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 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

ACRE

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. The June 1, 2010, signup deadline is mandatory for all participants. USDA will not accept any late-filed applications. A farm’s payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. Payment is based on 83.3% (85% 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, in addition to not receiving counter-cyclical payments, a farm’s direct payment is reduced by 20%, and marketing assistance loan rates are reduced by 30%. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. **Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.**

Please call 816-539-2136, ext 2, to schedule your appointment to enroll in DCP/ACRE or inquire about SURE eligibility. The application process and eligibility forms can take significant time to complete. Scheduling your appointment allows us to prepare for your arrival which will save you considerable time!

AGI and Actively Engaged

USDA has finalized a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to USDA.

This agreement will ensure that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must annually certify their eligibility to receive benefits by either submitting a statement from a certified public accountant or an attorney, or by completing form CCC-926. This form may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov/eforms/mainse/vlet>.

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by the Farm Service Agency (FSA). Every stockholder or member of a legal entity, such as a corporation, does not have to contribute labor or management if both of the following apply:

- at least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management that altogether qualifies as a significant contribution to the farming operation;
- The total direct payments received both directly and indirectly, by the legal entity and each of the members does not exceed \$40,000.

Conservation Reserve Program (CRP)

There is a possibility of a CRP general signup in 2010. Producers are reminded that land must be physically capable of being cropped in order to be eligible for the program. Land currently enrolled in CRP that has had tree / brush encroachment over the years will not be eligible unless physically capable of being cropped **at the time an offer is made to participate** in the program.

Livestock Indemnity Program (LIP)

The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from **extreme** adverse weather/natural disaster events. LIP compensates livestock owners and contract growers for livestock death losses in excess of established normal mortality rates due to natural disasters, including losses due to floods, blizzards, wildfires, extreme heat, extreme cold, tornados, and lightning. **The natural disaster must be a direct cause of the livestock death.**

It will be the producers' responsibility to notify the county FSA office about their livestock deaths. Payments are based on 75% of the fair market value for each type and weight range of livestock as determined by FSA. Producers are reminded that LIP regulations require that *they must file a notice of loss within 30 calendar days of when the livestock died* in order to be eligible for LIP. **Producers are also responsible for providing documentation of proof of death (pictures and veterinary inspections are suggested).** Beginning inventory (as of the date of the adverse weather event) is also required. **Verifiable evidence of normal mortality throughout the calendar year will be required with an LIP Application.** Deaths due to normal mortality will be used in calculating eligibility percentages when a natural disaster occurs.

The program is intended to compensate producers for livestock deaths that are caused by abnormal weather-related events and many losses may have weather as a factor, but not qualify as an eligible adverse weather event. **Please call 816-539-2136 ext2, for complete LIP eligibility details.**

Highly Erodible Land & Wetland Conservation Compliance

Conservation compliance is still required for participation in farm programs. As you visit your county office this spring, make sure to review your Conservation Plan of Operation (CPO) with NRCS. Extra tillage trips to remove ruts and level fields may require revisions to the CPO in order not to be in violation of conservation compliance. Contact your local FSA or NRCS before fieldwork begins to protect program eligibility.

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

Kansas City Mails 1099-G

Soon, producers who have received payments from FSA should also receive a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. You should pay close attention to the information on the CCC-1099-G for accuracy. We believe refunds will not be reported on the CCC-1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with eAuthentication user IDs and passwords can access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

The Debt Collection Improvement Act requires all Federal payments to be offset for all delinquent Federal debt. Beginning in Aug. 2009, all FSA payments were sent to the Department of Treasury. Therefore, if a producer's ID number matched the delinquent Federal debt, the Department of Treasury will make an offset of the FSA payment. Producers may still see \$1 or more payment from FSA when these offsets occur, but a letter from Treasury should also be received explaining the offset.

If you have any questions on payments received, refunds you have paid or other questions regarding your CCC-1099-G, contact your local FSA office. If you choose to visit the office, please bring your CCC-1099-G with you

NAP Coverage Deadlines

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee MUST be filed by the crop sales closing date. Contact your local FSA office for the filing dates for your crops.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information. Spouses may sign for each other automatically without executing a power of attorney document.

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to contact your local FSA office.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

County Committee Election Results

Congratulations to Jerald Grimes! Jerald was re-elected to the FSA Clinton County Committee. Jerald will be serving his second term representing producers in Platte, Concord and Clinton 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.

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.

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

Dates to Remember

Feb. 15	George Washington's Birthday. FSA Offices Closed.
March 1	NAP Sales Closing Date - Rice
March 15	2010 NAP sales closing date for forage and spring-seeded crops
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program.

Selected Interest Rates for February 2010

90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.625%
Farm Ownership Loans — Direct	4.875%
Limited Resource Loans	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
7-year Farm Storage Facility Loan	3.25%
10-yr. Farm Storage Facility Loan	3.75%
12-yr. Farm Storage Facility Loan	4.00%
Commodity Loans 1996-Present	1.375%

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