



DeKalb County News

October/November 2009

DeKalb County
USDA Service Center

DeKalb County FSA
1101 S. Polk
Maysville, MO. 64469
816-449-2112 (phone)
816-449-2082 (fax)
www.fsa.usda.gov/mo

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

County Committee
Ronald Carrel, Chair
John Burton, Vice-Chair
Lecil Andrews, Member
Ruth Owen, Advisor

County Committee
meets First Friday of
Month at 9:30 a.m.

Staff
Eugene Keats, CED
Kristy L. Gray, PT
Darlene Fisher, PT
Cindy Barker, PT
Robert Barton, Field
Daniel White, Field

Farm Loan Staff
Charles Meissen, Manager
Teresa Akers, Farm Loan
Officer 660-425-7635
Tuesday mornings, 10:00
a.m. to Noon



Final DCP and CRP Payments

By the time this newsletter reaches its readers, we hope that 2009 Direct DCP and CRP payments will have been made. This has been a year that has tried the patience of employees and producers as a new system of making DCP and CRP payments has been used for the first time. It is a system whereby the county office does not actually issue the payment, but of course makes all the necessary preparations for that process to work. The 2008 Farm Bill made some changes in payment eligibility and payment limitation provisions so that everyone who participated in DCP and some CRP participants had to file new payment eligibility forms in the county office. Participants in CRP are now under different average adjusted income limitations depending upon the date of their CRP contract. Regulations for payments now provide for attribution, which allocates a payment to an individual or to a member of an entity such as a corporation or trust in the proper share. Joint ventures have individual members. These changes, along with a new receivable system that accounted for the advance payments in DCP and other offsets have created issues where the system delayed some payments. USDA is working with these issues, and hopefully, by November, all issues will be resolved and payments made. USDA does have 30 days to make payments in each program after authority to pay is granted. We do appreciate your patience and understanding as this new way of making payments evolves.

County Committee Elections

Just a reminder: Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on November 6, 2009. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on December 7, 2009.

SURE Program

FSA expects to implement the Supplemental Revenue Assistance Program (SURE) in mid-November, 2009. This program is part of the 2008 Farm Bill that replaces ad hoc disaster programs that have been used in the past in years of low yields and bad weather. This means that a new program does not have to be legislated, but is already in effect if certain criteria are met. Criteria #1 is a Secretarial declaration of disaster which applies to both 2008 and 2009. DeKalb is a contiguous county for 2008, and is designated for 2009. Without the designation, the producer needs a 50% loss in crop production. At least one crop of economic significance (5% of the value of all crops in all counties) must show a 10% loss in production. Criteria #2 is the producer must meet a Risk Management Purchase Requirement (RMPR) in that all insurable crops must have crop insurance and all non-insurable crops must have NAP (non-insurable assistance program) coverage. Some producers purchased a "buy-in" policy for 2008 because it was too late to purchase NAP for forage. If hay is a crop of economic significance on the farm, it is required to have a NAP policy to be eligible for SURE. The final date to purchase a NAP policy is March 15 of each year, the same date as the final date to purchase crop insurance. Hay can be considered to be "de minimis" on some farms as the value will not be 5% of the value of all crops, or the fee for the policy exceeds 10% of the value of the coverage (\$3636 in 2008 and \$9090 in 2009). If this is the case, the hay can be excluded from the purchase requirement.

If all eligibility rules and criteria are met, SURE pays 60% of the difference between the expected revenue and the actual revenue on the farm for the year. Production will be provided by insurance companies with the exception of hay. Producers will be notified when signup begins. The next critical date is March 15, 2010 to obtain insurance on all crops for 2010.



Help Available to Stressed Farmers

In the past year, the economy, inclement weather, drought and other factors have hurt many farming operations around the country. These events pushed some farmers to the emotional breaking point. Watching their livelihood being threatened is difficult for farmers and ranchers and especially for those who care about them.

The National Suicide Prevention Hotline is available to help. If you know a farmer or rancher who is under stress and is reluctant to ask for help, or if you just need to talk to someone, call 1-800-273-TALK (8255). Your call will be routed to the crisis center nearest you, where trained staffers are available 24/7. This nationwide service is free and confidential. Help is just a phone call away.

For more information, go to <http://www.suicidepreventionlifeline.org/>. This service is not affiliated with the US Department of Agriculture.



2010 ACRE and DCP Signup Begins

Signup has begun for the 2010 DCP and ACRE programs and will continue until June 1, 2010. ACRE is a new program that replaces the counter-cyclical payments under DCP. ACRE payments are made when decreased revenue triggers are met at both the state and farm level. DCP payments are reduced by 20% when the farm is enrolled in ACRE. Once a farm is enrolled in ACRE it will be in ACRE through 2012. Producers must still elect to participate annually in either program. ACRE payments are made approximately 12 months after crop harvest, or October 2011 for the 2010 corn and soybean crop. DCP payments are made in October of the current crop year and advance payments are available after December 1, 2009 for the 2010 year at a rate of 22%. DCP payment rates will remain the same until 2012 when the payment acreage changes to 85% of the base. ACRE payments could range from zero to substantial under the right market, price, and yield conditions. Stop by the office and we can explain how ACRE might work for you.



Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Loans are nine months in duration and are non-recourse meaning the collateral can be forfeited in times of extremely low prices. If stored at an approved warehouse, arrangements for storage charges must be made. Loan rates for 2009 crops are: Corn -- \$1.90; Soybeans -- \$4.96; hard wheat -- \$2.76; soft wheat -- \$1.92; and grain sorghum -- \$3.22/cwt. Lien waivers can now be obtained prior to making application for the loan.

Farm Loan Programs



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 details just contact the county office staff for an appointment with a farm loan officer.



Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments, please contact your local FSA office.



Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- **Hay**
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

Changes to CRP



There have been some changes in the Conservation Reserve Program applicable to the management practices that producers have to perform on contracts effective after 10/01/2003. Mid-contract management practices will now only have to be performed once for some contracts. Newly established seedings can have a management cycle completed in years 3-6. If the contract is 20 acres or less, 100% of the acreage can be treated in one of contract year 3-6. Established seedings enrolled or re-enrolled can have the practices performed in years 1-4. All of the acreage must be treated in that time period. If the contract is 20 acres or less, 100% of the acreage can be treated in one of contract year 1-4. Mowing is now allowed in conjunction with strip disking or chemical application at a rate of \$16.00 per acre and cost share of \$8.00 per acre. The average cost of burning has been adjusted to \$32.00 per acre and disking and chemical application are now each \$20.00 per acre. Participants can change to the new policy by signing a modification to the conservation plan. Contact the FSA office.



Selected Interest Rates for October 2009	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	3.125%
Farm Ownership - Direct	5.00%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.750%
Farm Storage Facility- 7 year term	3.00%
Farm Storage Facility-10 year term	3.375%
Farm Storage Facility-12 year term	4.125%
Commodity Loans	1.375%

Dates to Remember	
Nov. 6	County committee ballots mailed to voters
Nov. 11	Veterans Day Holiday
Nov. 26	Thanksgiving Day Holiday
Dec. 7	Last date to return ballots

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

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment or hearing impairment. If special accommodations are required, please call the Farm Service Agency county office staff, and we will be happy to make any arrangements that are necessary.

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, 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, audiotope, 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.