



DeKalb County News

January/February 2010

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
James Carlson, 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



County Committee Election Results

Congratulations to James Carlson! James was elected to represent farmers from Polk, Dallas, and Grant townships, Local Administrative Area I on the county committee. James farms in the King City area and is an active participant in several agricultural endeavors in the community. He will serve a three year term.

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. The committee members held their organizational meeting in January. Ronald Carrel was elected chairperson, and John Burton was elected vice-chairperson. Ruth Owen will continue in her role as advisor to the county committee.

SURE Signup

Signup for the 2008 Supplemental Revenue Assistance Payments program (SURE) began on January 4, 2010. SURE 2008 is for those who suffered crop production losses during crop year 2008. SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments. Producers with a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary must have suffered at least a 10 percent production loss on a crop of economic significance.

Producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. This is a crop that has a value at least 5% of the value of all crops in the operation. Crops that do not meet this criteria can be waived from the requirement to purchase insurance. This is called “de minimis”. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage. If there is no Secretarial Disaster Designation, individual producers may also be eligible for SURE if the actual production on the farm is less than 50 percent of the normal production on the farm due to a natural disaster. DeKalb County was considered a contiguous county in 2008, and has been declared a disaster county for 2009. If producers want to be eligible for SURE for 2010, the insurance/NAP requirement must be met by March 15. This is the deadline to purchase crop insurance for insurable crops, change policies, or revise coverage. It is also the deadline to purchase a NAP policy for hay if hay is an economically significant crop on the farm. For SURE, a farm is defined as all crops in which a producer had an interest nationwide. For more information on the new SURE program, please visit the county office or <http://www.fsa.usda.gov>.

PUBLIC MEETING

There will be a public meeting on **February 18, 2010 beginning at 1:30 p.m.** in the DeKalb County Courthouse basement meeting room. FSA programs such as ACRE, SURE, DCP, Livestock Indemnity, crop insurance, NAP, and HEL provisions will be discussed. Some of these programs have early deadlines producers must be aware of.

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 will be available 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.



LIVESTOCK INDEMNITY PROGRAM

The recent period of adverse weather may have resulted in some livestock losses. The Livestock Indemnity Program may compensate farmers who have suffered death losses attributable to the weather event. The program will cover weather events until at least October 1, 2011. Death losses in excess of normal mortality rates are covered and are based on inventory at the time of the event. A notice of loss must be filed the earlier of 30 calendar days from when the loss is apparent to the producer, or 30 calendar days after the end of the calendar year in which the loss occurred (**January 30, 2010 for 2009**). Producers must document the death loss by rendering truck receipts, veterinary records, records assembled for tax purposes, bank or other loan documents, property tax records, insurance documents, etc. A third party certification may be acceptable as long as it is not a family member or a hired person. Livestock is divided into breeds, then into weight classes for



payment determination. Notices of loss may be filed by telephone, facsimile, or e-mail. The producer then follows up with an application for payment due 30 days after the end of the calendar year in which the loss occurred.

Marketing Assistance Loans

Marketing Assistance loans are available. Loans are nine months in duration and are non-recourse meaning the collateral can be forfeited in times of extremely low prices. 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. This type of loan is an excellent marketing alternative and features an extremely low interest rate at the present time (1.375%).

NEW ADJUSTED GROSS INCOME PROCESS

Beginning in January, 2010, the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) will provide producers with consent forms they voluntarily complete and submit to IRS which authorize IRS to disclose information to USDA for 2009 and 2010 Adjusted Gross Income (AGI) compliance purposes. Producers will mail the applicable consent form directly to IRS. USDA Service Center employees will not accept any tax information, completed forms, or other tax-related paperwork from producers. The deadline to submit the form is June 15, 2010. After this date, a reconciliation process will be initiated to identify producers that did not file. Written notice will be given to them. Failure to file will result in the producer being ineligible for program payments. IRS will check tax records and identify those who may have exceeded the AGI limitations and notify them. The producers will have the opportunity to provide certified records that the limits have not been exceeded. The tax years for 2009 are 2007, 2006, and 2005. The tax years for 2010 are 2008, 2007, and 2006. In addition to this new provision, producers will file a new AGI certification because each year the three year applicable period rolls forward.



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



Biomass and Renewable Energy

There is a lot of talk about biomass and renewable energy these days. USDA has implemented the Biomass Crop Assistance Program (BCAP) which supports the establishment and production of eligible crops for conversion to bioenergy. It also assists in the collection, harvest, storage, and transportation of eligible material for use in biomass conversion facilities. BCAP will involve a matching payment program that will provide eligible material owners matching payments for the sale and delivery of material to a qualified facility. Among the eligible materials are corn stover/husks, wheat straw, hardwood and softwood chips, legumes, grasses, and wood waste. Since the ethanol plant in St. Joseph will soon be submitting an application to operate as a BCAP facility, this may become important to this area. Currently the facilities are quite a distance away, located in Johnson and Howell counties.

Rural Energy for America Program

The Rural Energy for America Program (REAP) provides loan guarantees (up to 50% of the project) and grants (up to 25% of

eligible expenses) to agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements. Additional funding is available for feasibility studies and energy audit programs. USDA Rural Development is helping to lead the way in the agricultural sector finding energy solutions in our fields and helping rural residents and communities access renewable energy development and commercialization of renewable sources (ethanol, biodiesel, etc.) to change the way people power their cars, homes, businesses, and industries. Many new energy efficient grain handling, storage, and drying facilities have been funded across the country. For more information contact the Rural Development Office, 3915 Oakland Avenue, St. Joseph, MO. 64506 (816-364-3767; ext. 4).

Farm Loan Notes

The Farm Service Agency makes and guarantees loans to farmers to promote, build and sustain family farm operations. Examples are 5% beginning farmer/socially disadvantaged down payment real estate loans; 100% loans for the purchase of farms, livestock, equipment, and real estate improvements; 100% financing for annual operating expenses; youth loans, guaranteed loans working with other lenders, and emergency loans to assist farmers who have suffered physical or production losses due to natural disasters. Contact the Harrison County FSA Office, 660-425-7635.

Payment Eligibility/Limitation

Producers are reminded that payments and benefits under certain programs are subject to limitation by direct attribution, meaning each person's payments will be controlled. FSA will also make actively engaged in farming determinations, cash rent tenant rule determinations, foreign person rule, and average adjusted income limitation determinations. No program benefits will be provided until all required forms for the specific situation are provided and all the above determinations are made. For 2010, limitations are direct payments, \$40,000; counter-cyclical and ACRE, \$65,000; CRP, \$50,000; livestock indemnity and SURE, \$100,000; and NAP, \$100,000. There are no limits on market assistance loans or market loan gains. In 2010, producers will file new farm operating plans only if the operation has changed so that a new determination must be made. Otherwise, only new adjusted gross income forms will be filed.



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 next deadlines are burning warm season grass March 15; disking March 31; burning cool season grass and spraying cool season grass April 30. Participants can change to the new policy by signing a modification to the conservation plan. Contact the FSA office.



Selected Interest Rates for January 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.875%
Farm Ownership - Direct	4.75%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.750%
Farm Storage Facility- 7 year term	2.875%
Farm Storage Facility-10 year term	3.375%
Farm Storage Facility-12 year term	3.750%
Commodity Loans	1.375%

Dates to Remember	
Jan. 30	Notify FSA of livestock losses in 2009
Feb. 15	President's Day – Office closed
Feb. 18	Public Meeting – See article
March 15	Last date to purchase crop insurance or NAP for forage for SURE eligibility

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.