Farm Service Agency

March 2009

Gentry/Worth County Newsletter

Gentry County FSA
512 E Hwy 136
Albany, MO 64402
660-726-5525
660-726-3254 FAX

Hours
Monday – Friday
7:00 a.m. – 4:30 p.m.

County Committee
Kenny Hensley
Mike Sager
David Waltemath
Nancy Findley

Program Technicians
Mary Ann Gibson
Kathy Ward
Brenda Walker
Barbara Ratliff

Worth County FSA
19 West 3rd
Grant City, MO 64456
660-564-3341

Hours
8:00 a.m. – 4:30 p.m.

County Committee
Mike Cook
Vern Mitchell
Mary Ewing

Program Technicians
Veronica Craven
Ann Gilland

County Executive Director
Mark Cadle

Farm Loan Manager
Charles Meissen

Field Assistant
Joe Washburn
Bill Grabb

We have almost made it through another winter and spring is just around the corner. It is hard to believe that in a little more than a month, planters will be in the fields putting in the 2009 crop.

The staff has been busy at the FSA office with signup for the 2009 Direct and Counter-Cyclical Program (DCP). Producers who have not signed up into DCP need to enroll by June 1, 2009. An advance equaling 22% can be requested in any month through September and final payments will be made in October. When enrolling farms into DCP, producers will also be required to complete 2009 eligibility paperwork. As a result, signup will take longer than in the past. If possible, you are encouraged to call before coming to the office and we will try to have paperwork ready prior to your visit. A more detailed article concerning DCP is on page 2 of this newsletter and an article about the eligibility paperwork titled "*Payment Limits & Direct Attribution*" is on page 3.

Questions continue to come in concerning Average Crop Revenue Election (ACRE). At the present time, the option to enroll into ACRE is not available. Enrolling into DCP now will not prevent enrollment into ACRE when the program does become available. As soon as regulations are published concerning ACRE, newsletters and news releases will be published and meetings held to inform producers about the program.

Producers are reminded about the Supplemental Revenue Assistance Program (SURE) and becoming eligible. SURE is a permanent disaster program that protects against farm revenue shortfalls. To be eligible, all crops that account for at least 5% of the total revenue for the farm must be insured. Crops that are not insurable such as hay, fruits and vegetables must be covered through a Non-Insured Disaster Assistance Program (NAP) policy. The insurance deadline for most crops is March 16, 2009. If you are planting a fruit or vegetable crop, it would be a good idea to verify the sales closing date if you want to purchase NAP so the deadline is not missed. A more detailed article on NAP is on page 2 of this newsletter.

As always, do not hesitate to call or stop by the office if you have questions.

Mark Cadle

NAP Coverage Deadline

March 16 is the last day for producers to apply for Non-Insured Crop Disaster Assistance Program (NAP) coverage using Form CCC-471, Application for Coverage, and pay the service fee at the county office. To download the electronic "*NAP Basic Provisions Document*", form *CCC-471 NAP BP*, go to: http://www.fsa.usda.gov/Internet/FSA_File/ccc_471_nap_bp.pdf. The application and service fee must be filed **by March 16th,** the deadline date for 2009 spring planted crops which include: forage sorghum, oats, potatoes, soybeans, sunflowers and all spring planted specialty crops grown for food.

The service fee is $250 per crop per county or $750 per producer per county. The fee cannot exceed a total of $1875 per producer with farming interest in multiple counties. Limited resource producers may request a waiver of service fees.

To qualify, a producer must be a landowner, tenant or sharecropper who shares in the risk of producing an eligible crop.

DCP Sign-up Continues

Sign-up for the 2009 Direct and Counter-cyclical Payment (DCP) Program continues **until June 1, 2009**. The June 1, 2009 deadline is mandatory for all participants. FSA **will not** accept any late-filed applications.

Online sign-up is available to all producers who are eligible to participate in the DCP Program and can be accessed at: www.fsa.usda.gov/dcp and then click on the "Access eDCP Services" link, under the "I Want to…" section. To access the service, producers must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at: http://www.eauth.egov.usda.gov and then click on the "Create an Account Page" link, and lastly visit your local FSA Service Center for identity verification.

FSA 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 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA began to issue advance direct payments in December 2008. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Eligible producers for the DCP Program are also eligible to enroll in the Average Crop Revenue Election (ACRE) Program or the Counter-cyclical Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

For more information about DCP, visit your local FSA office or go online to read the DCP factsheet at: http://www.fsa.usda.gov/Internet/FSA_File/dcp2008.pdf.

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and producers 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. Currently, guaranteed loans can reach a maximum indebtedness of $1,094,000. 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, contact your local FSA county office to set up an appointment with a Loan Approval Official.

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 $5000.

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
- Live in a rural area or in a town of 50,000 people or fewer
- Must obtain a written recommendation and consent from a parent or guardian if the applicant has not reached the age of majority under state law
- Comply with FSA's general eligibility requirements
- 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.

To find out more about the FSA Rural Youth loan program, contact your local FSA county office to set up an appointment with a Loan Approval Official.

Payment Limits & Direct Attribution

For commodity and disaster programs under the new farm bill, the Adjusted Gross Income (AGI) limitation was reduced from $2.5 million from all sources to a three-year average **non-farm AGI of $500,000** such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds $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 issued under the Direct and Counter-cyclical Program.

For conservation programs, the average nonfarm AGI limitation is $1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of $1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," 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.

Under rules in effect since 1988, not every member of an entity had to contribute active personal labor or management. **Now, the final 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 and substantial, and documented as well as separate and distinct from any other member's contribution. The rule limits the ability of passive stockholders to continue to realize benefits from the entity.**

For more detailed information contact your local FSA office.

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Gentry County Office
512 E Hwy 136
Albany, MO 64402

Dates To Remember

March 16	Deadline to Purchase NAP Coverage on Non-Insurable Crops
March 16	Deadline to Purchase Crop Insurance on Insurable Crops
March 31	Deadline to Apply for a 2008 Marketing Assistance Loan on Small Grains
May 31	Deadline to Apply for a 2008 Marketing Assistance Loan on Feed Grain Crops
June 1	Deadline to Enroll Into DCP
June 30	Deadline to Report Small Grain Acreage (Wheat, Oats, Etc.)
July 31	Deadline to Report Corn, Soybean, Hay, Pasture, and CRP Acreage. (All Cropland Must Be Reported)

Livestock Indemnity Program (LIP)

LIP will compensate producers for livestock death losses in excess of normal mortality rates due to adverse weather that occurred on or after 01/01/2008 and before 10/01/2011. Producers who had livestock deaths due to adverse weather conditions should document these losses as to the kind, weight range, number of livestock, and the date the animals were lost. Producers must have proof of death of livestock by the following:

- Rendering truck receipts or certificates
- Veterinary records
- Dairy herd improvement records
- Third-party verification

The third party must certify in writing name, address, and telephone number, affiliation of the third party to the participant, details of knowledge of livestock deaths, and the number and kinds of livestock. The third party may not be someone who is affiliated with the operator, such as a hired hand or family member. Producers should take photos; keep veterinary records, disposal costs, and third-party verification. At this time, the forms and procedure for taking loss applications are not yet available at your county FSA office. Maintain records of your losses in order to be eligible when all requirements are known.

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.