

January 2009



County News

Laclede, Camden, and
Pulaski County
USDA Service Center

DCP Sign-up Underway

Laclede, Camden,
Pulaski County FSA
1242 Deadra Dr
Lebanon Mo 65536

417-532-5741
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417-533-3689(fax)
www.fsa.usda.gov/MO

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

County Committee
Homer Jones Jr.
Camden
Warren C. Hoffman
Laclede
C. Kent Ledbetter
Pulaski
Berniece Hamilton
Minority Advisor

County Committee
meets 2nd Thursday of
each month at 9:00am

Staff
Darrel McCann
County Director

Program Technicians
Ava Baker
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darrel.mccann
@mo.usda.gov

Sign-up has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can sign-up online or at local FSA Service Centers. Sign-up will continue **until June 1, 2009** and unlike years past, participants **may not enroll** in DCP after June 1 of the applicable contract year. There are **no late-filed provisions** for contract years 2009-2012. The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone 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 this online service, you 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 followed by a visit to the 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 will issue advance direct payments later this month. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity falls below its target price.

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 begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009.

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 hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a pay-

ment 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.

County Committee Election Results

Congratulations to Kent Ledbetter. Kent was re-elected to represent farmers from Pulaski on the county committee. 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 will hold their organizational meeting in January to determine who will serve as the county committee chairman and vice-chairman.

LDP Deadline on Wool, Mohair and Unshorn Pelts

Eligible producers have until **Feb. 2, 2009**, to apply for LDPs for wool, mohair and unshorn pelts produced during the 2008 crop year.

Eligible producers must comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in; produce and shear eligible wool and mohair or produce an unshorn pelt from a slaughtered lamb for unshorn pelts; have beneficial interest in the commodity; own the sheep and goats that produce the wool and mohair for a period of not less than 30 calendar days before shearing, or in the case of unshorn lambs, 30 days prior to slaughtering the lambs; for unshorn pelts only, and sell the unshorn lamb for immediate slaughter or slaughter the unshorn lamb for personal use.

To qualify for payment, the wool or mohair must be produced and shorn from live animals of domestic origin in the United States or be produced from a live unshorn lamb of domestic origin in the United States at the time beneficial interest was lost.

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. The interim 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.

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.

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.

Power of Attorney

FSA has a required power of attorney form available for those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., that enables the participant to designate another person to conduct his or her business at the office. This can be done by completing an FSA-211, Power of Attorney. The form is available at your local USDA Service Center or online at:

http://forms.sc.egov.usda.gov/efcommon/eFileServices/Forms/FSA0211-0211A_081217V02.pdf.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

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.

USDA designated the FSA to collect the AFIDA report forms. Individuals wanting to obtain an AFIDA report form (FSA-153) may do so from any FSA County office. The (FSA-153) is available in both English and Spanish translations. You can also go on-line and download the form at:

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



Darrel's Comments

Happy New Year to everyone. I pray that 2009 starts out better than the last two years, 2007 ice storm and 2008 tornado in southern Laclede County.

Congratulations Kent Ledbetter, on being re-elected to the Committee.

This is a good time to report planted wheat before we get busy in the spring and forget.

Dairy Producers don't miss the MILC Program.

The New Farm Bill is still bringing about changes. (See article on Payment Limitations) Most producers will have to complete new payment eligibility forms when they sign up for programs. This will take a little extra time. If you call ahead we can serve you faster. Appointment really help the staff provide producers with fast efficient service, so call and make an appointment if you know your coming to the office.

Sign up for DCP (the crop base program) deadline is June 1, No late files provisions this year. Don't wait, spring is a busy time.

Dates to Remember	
Jan. 19	Martin Luther King Holiday Offices Closed
Jan 31	Deadline 2008 Wool/ pelt LDP
Feb. 16	Presidents Day Offices Closed
June 1	DCP deadline
Jan 21	Phase 1 MILC signup deadline
Continues	Farm Storage Facility Loan Program.
Continues	Continuous Conservation Reserve Program.

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