



# Shannon/Reynolds County News

February 2009

Shannon/Reynolds County  
USDA Service Center

**Shannon/Reynolds  
County FSA**  
Highway 19 South  
Eminence, MO 65466  
(573) 226-3241 (phone)  
(573) 226-5491 (fax)  
www.fsa.usda.gov/mo

**Hours**  
Monday - Friday  
8:00 a.m. - 4:30 p.m.

**County Committee**  
Gary Gant  
David Barnett  
Nancy Roberts  
Katie Dowler

County Committee meets:  
The First Thursday of each  
Month

**County Staff:**  
Jim Kyle, DD  
Elvie Younger, CED  
Sharon Parks, PT

**Farm Loan Staff:**  
Amy Peiter, FLM  
Debi Huff, FL PT



## NAP – INSURANCE OR PRIVATE INSURANCE

The 2008 Farm Bill included a permanent disaster program. This program includes Crop Disaster, Livestock Feed Program, etc. At the same time, the Farm Bill included that the producer have insurance in place to qualify or to apply for the permanent disaster program. The Farm Service Agency offers NAP insurance (Noninsured Corp Disaster Assistance Program). This Program carries a high loss or minimum of 50 percent loss; and unless you have a proven yield, the yield used will be a NASS yield for the four Counties. This yield is 1.7 to 1.8 tons per acre. The deadline for purchasing NAP insurance is March 15, 2009 for forage (hay). The March 15, 2009, deadline also applies for grazing insurance. The Farm Bill also raised the premium from \$100.00 to \$250.00 per crop. There are also several insurance companies that offer pasture, rangeland and forage insurance; but we have been informed that the closing date for this coverage was November 30, 2008. For the 2009 crop year, either NAP or private insurance will meet the requirement of the Disaster Program. Maybe 2009 will be a great year for hay and pasture!

## **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.

## **County Committee Election Results**

Congratulations to Gary Gant! Gary was re-elected on the County Committee to represent farmers from LAA 4 that include the Townships of Carroll, Black River, Lesterville and Webb and includes Centerville, Lesterville and the northern and eastern part of Reynolds County. Gary was elected to his second consecutive 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. Gary Gant will serve as the County Committee Chairman and David Barnett will serve as 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.

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## 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 payment 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.

## Applications for FSA Loans

Farmers who intend to apply to FSA for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Not applying early can result in a delay in processing loans due to volume of applications that must be processed in date order. Contact your local FSA Loan Approval Official for more details and assistance in applying.

## Faxed Signatures

Certain faxed signatures shall be accepted for all applicable program forms or other documents approved for faxed signatures, if all other signature requirements are met.

## 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

## DCP Sign-up Underway

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.

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 is statutorily set 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. **At the present time, no Federal Land can be enrolled in DCP.**

## 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.

For more detailed information contact your local FSA office.

Selected Interest Rates for January 2009	
90-Day Treasury Bill	.500%
Farm Operating Loans — Direct	3.000%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Beginning Farmer Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	2.125%
Sugar Storage Facility Loans	3.500%
Commodity Loans 1996-Present	1.625%

## Loans for Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms.

While all qualified producers are eligible to apply for these loan programs, the FSA has targeted funding for members of Socially Disadvantaged Applicants. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

For detailed information on loan eligibility or the different loan programs available, contact your local FSA office to setup an appointment with a Loan Approval Official. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

## Financial Inquiries for FSA Producers

January signals the beginning of a new year, and a time to gather financial records and start thinking about filling out a 1040. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data through Financial Inquires for FSA Producers. The site is available under Online Services on the Missouri FSA webpage at <http://www.fsa.usda.gov/mo>

If you need to inquire about a particular electronic deposit, program payment, debt, or 1099G – USDA Level 2 customers can to here to view financial information. Note: Financial information is not currently available through the Customer Statement.

## Reasonable Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.

## Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options your can pursue if you disagree. Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

## Livestock Indemnity Program

Provides payments to eligible producers for livestock death losses in excess of normal mortality due to adverse weather. Indemnity payment rate is 75% of market value of applicable livestock on day before death, as determined by Secretary. This program is new from the 2008 Farm Bill. The producer must report the deaths/cause to the local FSA office within 15 days.

## 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](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.

Dates to Remember	
Feb. 2	<b>Deadline</b> on 2008 LDPs for wool, mohair and unshorn lamb pelts.
Feb. 16	President's Day Holiday. <b>FSA Offices Closed.</b>
Mar. 16	Deadline to obtain 2009 NAP coverage on spring planted crops.
Mar. 31	Final Availability for 2008 crop wheat, barley, oats, honey loans and LDPs.
Continues	Farm Storage Facility Loan Program.
Continues	Continuous Conservation Reserve program.

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