



**Farm Service
Agency**



**November
2009**

**USDA
Service Center**

Wright County FSA

5220 Hwy 5.

Hartville, MO 65667-0509

Phone: (417) 741-6195 ext. 2.

FAX: (417) 741-6198

County Committee

**Gale Kinser,
Chairperson**

*Evelyn Livermore-
Fisher, Vice-
Chairperson*

*Bonita Raney,
Member*

Program Technicians

Sue Price

Gale Davis

Office Hours

Monday-Friday

8:00 a.m.-4:30 p.m.

**County Executive
Director**

Clyde Connelly

District Director

James J. Kyle

Farm Stored Facility Loan Program

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing in order to build and/or upgrade farm storage and handling facilities. This includes buildings for hay storage. Research has shown that storage losses in large round bales stored outside and unprotected can be far greater than what you realize. Especially in wet years like we have had during the past two years. According to research conducted by Oklahoma Cooperative Extension Service, dry matter losses can reach 50 percent depending on bale quality, storage conditions, and length in storage. Their research has found that depending on the bale's diameter, just two inches of deterioration can represent over 10 percent of the bale's dry matter. Extended periods of humid and cloudy conditions with abundant rainfall results in greater losses of forage dry matter and quality. Rainfall for most of us during the past two years have been above normal. Hay losses increase accordingly.

The maximum principal amount on a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with Commodity Credit Corporation (CCC) providing a loan for the remaining 85 percent of the net cost of the storage facility. Loan terms of 7, 10 or 12 years are available depending of 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. Currently, the October interest rate for a 7 year loan is 3.000 percent. Applications must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans: Hay, small and coarse grains, silage and haylage, soybeans or minor oilseeds harvested as whole grain, renewable biomass, fruits (including nuts) and vegetables cold storage facilities. FSFL storage facilities are for commodities produced by the borrower only, not purchased commodities. The facility does not necessary mean an enclosed building, a concrete pad without walls is eligible for an FSFL.

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 % of the projected and approved total loan amount.

Storage facilities size is based on your average production for two years. Please feel free to contact the Wright County FSA Office for more information about this program if you have any additional questions.

Biomass Crop Assistance Program

Don't let the name bother you, this program has the opportunity to increase the cash flow from your farm. Those producers who sell biomass such as sawdust, wood chips, waste wood products, hay, etc. to processors could qualify and receive an additional payment from the Farm Service Agency. Once an agreement is signed between FSA and the processing facility and funding through the program is provided; the processing facilities can begin accepting materials. **Producers who sell these materials** can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received from a qualified biomass processing facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass producers with the CHST cost of delivering biomass to a qualified biomass processing facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers, who market eligible material to a qualified biomass processing facility, may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass processing facility. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County FSA offices will validate payment requests with information in the county office and information provided under the terms of the Memorandum of Understanding with the qualified biomass processing facilities. CHST payments will not be authorized until after an appropriate environmental analysis has been conducted.

Foreign Landowner Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of closing.

FSA's report, "Foreign Holding of U.S. Agricultural Land" contains statistics through Feb. 28, 2008, regarding the 20.9 million acres of U.S. agricultural land in which foreign persons hold an interest. This is a 1.4 million acre increase from 2007. Canadians hold the largest amount of land; almost 7.3 million acres, and Maine has the largest amount of foreign held U.S. agricultural land at 3.35 million acres, followed by Hawaii, Washington, Nevada, and Alabama.

MILC Income Loss Payment Program

As you well know, the price dairy producers receive for their milk continues to be very low. MILC payments to Wright County producers exceeded 1 million dollars with their August payment. The breakdown of months paid, and amounts paid, is as follows: February, \$150,024; March, \$235,054; April, \$197,303; May, \$183,883; June, \$193,861; July, \$165,350.; August, \$157,816. **Total payments to date: \$1,283,291.00.**

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communications 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 USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to producers for livestock deaths that result from disaster. LIP compensates livestock owners and contract growers for livestock death losses in excess of established normal mortality rates due to adverse weather, including losses due to floods, blizzards, disease, wildfires, extreme heat and extreme cold. It will be the producers' responsibility to notify the county FSA office about their livestock deaths. For 2009 the payment rate on an adult dairy cow is \$1,464.38, and the payment rate on an adult beef cow is \$694.98. Producers are reminded that LIP regulations require that they ***must file a notice of loss within 30 calendar days of when the livestock died***, and an application for payment no later than January 30, 2010 in order to be eligible for LIP. Livestock owners and contract growers who suffer livestock losses in 2010 and later years to be eligible for LIP they must file a notice of loss 30 calendar days on when the loss of livestock is apparent, and an application for payment no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurs.

There are no late-filed provisions for the LIP program. That means, that if for any reason you wait to file your application after the deadline is past, then the county office can't approve it. We will not refuse to accept a producer's application, however any application filed after the end of the applicable filing date will be disapproved because on being not timely filed. The application period is a matter of general applicability to all participants and is not appealable.

FSA Farm Loans

The Farm Service Agency 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 on \$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 detail information loan eligibility contact the county office staff for an appointment with a farm loan officer.

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, growing or harvesting a prohibited plant.

UNITED STATES DEPARTMENT OF AGRICULTURE

Wright County FSA
P.O. Box 370
Hartville, MO 65667

Farm Reconstitutions

In Farm Service Agency terms, farms are **constituted** to group as tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm **reconstitution** is necessary. Neither the realtor nor the court house will notify us of these changes. It is up to you to let us know when you buy and sell property in order to allow us to keep our farm records correct.

Banking Changes?

If you have changed banks and not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify this office if you close your account or if another financial institution purchases your bank. It is important that any changes in producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information. Spouses may sign for each other automatically without executing a power of attorney document.