

Important Dates

- May 31st - Memorial Day Holiday offices closed
- June 1st - Deadline to enroll in DCP/ACRE
- June 30th - Deadline to report small grain crops (Wheat, Oats, Barley, & Rye)
- July 31st - Final Crop reporting day for all crops
- July 31st - Final day to turn in yields for the ACRE program

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Conservation Compliance/ Weather variance for Field Ruts

Northeast Missouri producers are reminded that CONSERVATION COMPLIANCE provisions for highly erodible ground and wetlands still exist in order to maintain USDA program eligibility. All producers earning benefits must be in compliance with an approved plan or maintaining an acceptable system that reduces soil loss to an acceptable level relative to their operation/cropland. In the case of wetlands, producers are well advised to visit their local USDA Service Center prior to completing any dozer work that could potentially involve ground classified as a wetland area or even containing hydric characteristics.

The 2008 Farm Bill has changed the way that NRCS evaluates compliance for HELC provisions. In prior years, NRCS was able to evaluate a 5 year tillage and crop rotation to determine soil loss. The 2008 legislation allows only the evaluation of the Fall 2009/Spring 2010 tillage practices, the 2010 crop, and the crop residue remaining after planting to determine soil loss for the upcoming 2010 compliance status reviews. Needless to say, if the tillage practices and crop rotation you will be using during the 2010 crop year are not part of your conservation plan, it could be difficult to show you are following an approved conservation system.

WEATHER RELATED VARIANCE: Due to the extreme wet conditions last fall, producers in Missouri will be allowed to till areas with ruts caused by harvest equipment prior to planting on erodible fields. **In order to be eligible for the variance, producers need to visit the NRCS office and request the variance prior to completing the field work.**

Please consider this a friendly reminder to make sure you are following a conservation plan/system for the 2010 crop year. If you are not sure what your conservation plan includes or have questions concerning the information provided above please be in contact. Producers being found in a non-compliant status can be a serious and costly condition.

DCP/ACRE Sign Up Continues

Enrollment for the 2010 Direct & Counter-Cyclical program (DCP) and the Average Crop Revenue Election (ACRE) program continues until June 1, 2010. The June 1, 2010 deadline is mandatory for all participants. All contracts must be completed with all required signatures by this date. **FSA will not accept late filed applications for this program in 2010.**

FSA computes DCP payments using base acreage and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2010, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Counter-cyclical rates vary depending on market prices are only issued when the effective price for a commodity is set below a crop's target price.

Eligible producers for DCP are also eligible to enroll into the ACRE program as an alternative to the counter-cyclical portion of DCP. The enrollment period for ACRE started with the 2009 crop year. Producers who have enrolled in DCP and wish to modify their contract to add the ACRE option may do so up through June 1st. Contact your local county office to enroll today.



District 3 Service Centers

District Director
Tom Balsler

Audrain County

Mexico, MO
Phone 573-581-1406
Fax 573-581-7283

Clark County

Kahoka, MO
Phone 660-727-3364
Fax 660-727-3089

Knox County

Edina, MO
Phone 660-397-2559
Fax 660-397-3289

Lewis County

Monticello, MO
Phone 573-767-5274
Fax 573-767-5495

Lincoln County

Troy, MO
Phone 636-528-4113
Fax 636-528-9582

Macon County

Macon, MO
Phone 660-385-2616
Fax 660-385-4923

Marion County

Palmyra, MO
Phone 573-769-2235
Fax 573-769-4460

Monroe County

Paris, MO
Phone: 660-327-4137
Fax: 660-327-4507

Pike County

Bowling Green, MO
Phone 573-324-3313
Fax 573-324-2475

Ralls County

New London, MO
Phone 573-985-8611
Fax 573-985-3928

Shelby County

Shelbyville, MO
Phone 573-633-2440
Fax 573-633-1406

Livestock Indemnity Program (LIP)

The Food, Conservation & Energy Act of 2008 authorized the LIP program. LIP provides compensation to eligible livestock producers who have incurred livestock death losses in excess of normal mortality through October 1, 2011. Eligible qualifying losses must be directly attributed to adverse weather conditions, as determined by the Secretary of Agriculture, during the calendar year that includes such things as blizzards, disease, extreme cold, extreme heat, floods, hurricanes and wildfires. The program is not geared to be a supplemental insurance indemnity program for day to day losses, but one to compensate for losses from true natural disasters. For example – cattle lost in a tornado would be an eligible cause of loss, whereas newborn calves lost from inclement conditions outside of an extreme weather event would not be a qualifying loss for payment.



Producers must file a notice of loss within 30 calendar days of when the loss of the livestock is apparent and finalize an application for payment no later than January 30th of the following year in which the loss occurred. Nearly all species of livestock and poultry grown in north Missouri are covered for the program.

Before a LIP applicant can be approved, producers will need to document that a severe or extreme weather event occurred. A qualifying weather “event” mean weather that is abnormal weather for that time of the year. If the weather event is extreme cold or heat, then it must be a sustained cold or extreme heat condition over at least a 5 day period for claims on adult livestock. In the case of disease, producers must provide documentation to support how disease was accelerated or exacerbated by an eligible adverse weather event before an application can be approved. As cattle can be vaccinated against pneumonia, IBR, PI3 and RSV to prevent such disease, and this type of action is considered a normal management practice, such diseases are not considered ones that are accelerated or exacerbated by adverse weather events and therefore are not eligible causes of livestock death loss under LIP. Cattle can and do die from these types of diseases after being vaccinated even in the absence of adverse weather events.

It will be a producer’s responsibility to provide additional documentation as required. In order to consider an application complete, some of the following may be required:

- Date of death loss
- Date or date range and type of weather event
- Documented livestock inventory at the time of the event
- How the extreme weather caused the event
- Approximate age, weight, and condition of the animal(s) lost
- Outline steps taken to mitigate the weather event
- Management practices
- Veterinary certification including cause of the death

Producers who do not have a veterinary certification must also provide a third party verification as a part of their application on form FSA 926. The documentation should include specific detail such as:

- Date and type of weather event
- Conditions of livestock at time of death
- Livestock location and date when last witnessed alive
- Livestock location and date when witnessed deceased
- Cause of livestock death

FSA Rural Youth Loans

The U.S. Department of Agriculture's Farm Service Agency (FSA) can make operating loans of up to \$5000 to eligible individual rural youth from the age of 10 to 20 to finance income producing, agriculture related projects. The project must be of modest size, educational and carried out by rural youths involved in 4-H clubs, FFA, or a similar organization.

The project must be organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce enough income to repay the loan, and provide the youth with practical business and educational experience in agriculture related skills.

To find out more about this program or any of our other loan programs, visit your local USDA Service Center. A listing of our centers and any information about our various programs can also be found on our FSA website at <http://www.fsa.usda.gov>.

2010 Failed Wheat Acreage

Those area producers who managed to get wheat planted last fall are reminded that should they be considering destroying that wheat to go to another spring crop that they contact their crop insurance agent if the acreage was insured and then provide that documentation to FSA once a loss adjustment is completed and no later than **June 30th**. Producers with non-insured wheat need to visit their FSA office and complete a CCC 576 – Notice of Loss **prior** to destroying the failed crop. Documentation of failed acres is necessary to ensure compliance with current farm programs and provides history and possible eligibility for future disaster programs.



2008 Crop Disaster Program ~ SURE

Applications are currently being accepted for the Supplemental Revenue Assistance Program. No deadline has been announced for the program at this time. The SURE program provides benefits for farm revenue losses that were incurred due to natural disasters starting in crop year 2008 and concluding September 30, 2011. In order to be eligible for SURE payments, a producer was, and continues to be, required to obtain crop insurance on all crops of economic significance in all counties where he/she has a farming interest. In the event that crop insurance is not available for a crop, a producer must maintain a Non-Insured Assistance Program policy (NAP) for that crop; i.e. forage, sorghum sudan, fruits/vegetables. This procedure is considered meeting the Risk Management Purchase Requirement. Starting for crop year 2010, grazing ground does not require coverage in order to maintain eligibility for the SURE program.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource or Beginning Farmer (farmed less than 10 years) are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:

- At least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition
- The crop of economic significance must be a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops grown in the farming operation
- The farm experiencing the loss must be in a county declared a disaster county by the Secretary of Agriculture, or in contiguous counties. Those who show proof of an individual loss of at least 50% in production are also eligible to receive SURE payments for production losses or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

Producers who wish to apply for the program need to contact the county office(s) where their farming operations are administratively carried to start the process.

United States Department of
Agriculture
Farm Service Agency
District 3
PO Box 215
Shelbyville, MO 63469

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If your address has changed or have any questions about this newsletter please contact your local FSA office. Your address is pulled from your local FSA office database and mailed out to all producers within in the district.

ACRE Program Production Needed by July 31st

Producers who enrolled in the 2009 ACRE program are reminded that they must submit production for the 2004-2008 base period to establish benchmark yields or accept their respective county average “plug” yields for that timeframe or applicable years. Actual production figures must also be submitted by the July 31st deadline in order to maintain program eligibility for the 2009 ACRE program. Plug yields cannot be utilized for a farm in place of actual production once enrolled in the program. Contact your local county office and complete form FSA 658 to complete the production reporting process if you have a farm enrolled in the ACRE program.

New Form Must be Submitted to IRS by Every Producer earning benefits in 2009 / 2010

June 15, 2010 deadline

USDA recently announced a new process to ensure persons whose adjusted gross incomes exceed program limitations are not fraudulently receiving FSA program payments. Producers receiving payments under the 2008 Farm Bill are required to annual certify their average Adjusted Gross Income (AGI) is below the following limits:

- \$500,000 non-farm average AGI for commodity and disaster programs
- \$750,000 farm average AGI for Direct payments
- \$1 Million non-farm average AGI for conservation programs

Through implementation of the verification process, USDA and IRS are cooperating to ensure compliance with these limits and streamline payments to farm operations. In order to remain eligible for certain 2009 & 2010 FSA payments, individuals and legal entities will be required to file a 2009 and/or 2010 Consent To Disclosure of Tax Information form (CCC 927 or CCC-928) with the IRS. By filing this form, producers authorize IRS to disclose to USDA the accuracy of each producer’s certifications regarding the AGI limits listed previously. IRS will report to USA a “YES” or “NO” answer about each producer’s eligibility, but WILL NOT provide actual tax data to USDA.

It is a producer’s responsibility to submit the applicable form to IRS. Failure to do so will result in a noncompliance determination for AGI and the loss of all USDA benefits.

If you receive payments from FSA, you can request the forms from your local FSA office or go online to <http://forms.sc.egov.usda.gov>. All persons directly or indirectly receiving program benefits must submit a consent form to retain their USDA benefits subject to AGI provisions.