



November 1, 2010

# District 7 News

## **Bollinger County FSA**

Office Hours: 8:00-4:30  
Phone: 573-238-2671

## **Butler County FSA**

Office Hours: 8:00-4:30  
Phone: 573-785-8416

## **Cape Girardeau County FSA**

Office Hours: 8:00-4:30  
Phone: 573-243-1467

## **Dunklin County FSA**

Office Hours: 8:00-4:30  
Phone: 573-888-2536

## **Jefferson/Washington FSA**

Office Hours: 7:00-4:30  
Phone: 636-789-2441

## **Mississippi County FSA**

Office Hours: 8:00-4:30  
Phone: 573-649-9930

## **New Madrid County FSA**

Office Hours: 8:00-4:30  
Phone: 573-748-2557

## **Pemiscot County FSA**

Office Hours: 7:45-4:30  
Phone: 573-333-1923

## **Perry County FSA**

Office Hours: 7:30-4:30  
Phone: 573-547-6531

## **Ripley/Carter County FSA**

Office Hours: 7:45-4:30  
Phone: 573-996-7116

## **Scott County FSA**

Office Hours: 7:30-4:30  
Phone: 573-545-3593

## **Ste. Genevieve County FSA**

Office Hours: 7:00-4:30  
Phone: 573-883-2703

## **St. Francis/Iron County FSA**

Office Hours: 7:00-4:30  
Phone: 573-756-6488

## **Stoddard County FSA**

Office Hours: 7:00-4:30  
Phone: 573-624-5939

## **Wayne/Madison County FSA**

Office Hours: 7:45-4:30  
Phone: 573-224-3410

## **District Director**

Billy Swiney  
Butler County FSA  
Phone: 573-785-8416

## **Crop Assistance Program**

The Crop Assistance Program (CAP) provides disaster aid to producers in specified counties whose rice, upland cotton, soybeans or sweet potato production was adversely affected by excessive moisture and related conditions that occurred in 2009. Sign up started October 25<sup>th</sup> and will run until December 2, 2010. Drought is NOT an eligible cause of loss for this program.

CAP only applies to the eligible crops listed above that were raised in one of 953 counties nationwide that received a secretarial disaster designation due to excessive moisture in 2009. The Missouri counties in District 7 that received that designation and are eligible for CAP include Ripley, Dunklin, Pemiscot, New Madrid and Mississippi. Producers in a non designated county may be eligible if they also farm land that is physically located in a county that did receive the secretarial disaster designation, which includes all Illinois and Arkansas counties that border counties in District 7. This program only applies to acreage located in the primary designated county and does not extend to acreage planted in a contiguous county. A complete list of the disaster counties can be found online at <http://disaster.fsa.usda.gov>.

Through CAP, FSA will provide emergency assistance to help re-establish the purchasing power of eligible producers who suffered a 5 percent or greater loss of rice, upland cotton, soybeans or sweet potato. There are limited funds for this program and payments may be prorated if needed to stay within the allocated amount. The predetermined payment rates are \$31.93 per acre of long grain rice; \$52.46 per acre of medium or short grain rice; \$17.70 per acre of upland cotton; \$15.62 per acre of soybeans and \$155.41 per acre of sweet potatoes.

If you farm land that is physically located in any of the primary disaster counties and you suffered a 5% loss in quantity or quality due to excessive moisture in 2009, you should contact the county office that administratively carries that land. The CAP sign up period will end on December 9, 2010.

## **County Committee Elections**

Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on November 5, 2010. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots will be due back in the county office by the close of business on December 6, 2010.

## **Acreage Reporting**

Producers are reminded that they can report their planted acreage of wheat now if they have completed their plantings. Filing an accurate acreage report for all crops and land uses, including failed and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date. The final planting date for wheat is November 15, 2010.

Wheat and other small grains must be reported to FSA by June 30, 2011. Acreage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of June 30 for small grains and July 31 for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

## **County Committee Meeting Times**

### **Bollinger County**

First Thursday of each month at 9:00 am.

### **Butler County**

Third Thursday of each month at 8:00 am.

### **Cape Girardeau County**

First Tuesday of each month at 8:00 am

### **Dunklin County**

Second Thursday of each month at 8:00 am.

### **Jefferson/Washington**

First Wednesday of each month at 8:30

### **Mississippi County**

Second Tuesday of each month at 8:00 am.

### **New Madrid County**

First Tuesday of each month at 8:00 am.

### **Pemiscot County**

Third Friday of each month at 9:00 am.

### **Perry County**

Second Tuesday of each month at 8:00 am.

### **Ripley/Carter Counties**

Second Friday of each month at 9:00 am.

### **Scott County**

Fourth Friday of each month at 8:00 am.

### **Ste. Genevieve County**

Next to Last Thursday of each month at 8:00 am

### **St. Francois/Iron**

First Friday of each month at 9:00

### **Stoddard County**

The Wednesday closest to the 15<sup>th</sup> of each month at 7:00 am.

### **Wayne/Madison County**

Second Wednesday of each month at 8:00 am.

## **Marketing Assistance Loans**

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans. Violating provisions of a marketing assistance loan may result in liquidated damages, calling the loan and denial of future farm-stored loans.

## **2011 DCP Signup**

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2011.

USDA 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 2011, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. USDA will issue advance direct payments beginning Dec. 1, 2010. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity

is below its target price. The effective price is the higher of the national average market price received during the 12-month marketing year for each covered commodity and the national average loan rate for a marketing assistance loan for the covered commodity.

## **The ACRE Option**

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2011, the 2-year price average will be based on the 2009 and 2010 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year. The June 1, 2011, deadline is mandatory for all participants. USDA will not accept any late-filed applications.

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## 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. Every stockholder or member of a legal entity, such as a corporation, does not have to contribute labor or management if both of the following apply:

- at least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management that altogether qualifies as a significant contribution to the farming operation;
- the total direct payments received, both directly and indirectly, by the legal entity and each of the members does not exceed \$40,000.

## FSA Conservation Loan Program

The Farm Service Agency makes and guarantees conservation loans on farms and ranches to help conserve our natural resources. The Conservation Loan (CL) Program provides farmers with the credit necessary to implement conservation measures on their land. The direct CLs loan limit is up to \$300,000 and guaranteed CLs up to \$1,112,000 (amount adjusted for inflation), may be available by applying with lenders working with FSA to obtain a guarantee.

Applicants will work with Natural Resources and Conservation Service (NRCS) Staff to develop a conservation plan. Conservation practices must be approved by NRCS before FSA can provide financing.

Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management, including manure digestion systems; etc.

## Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available. Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

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 of \$1,112,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner.

The Farm Service Agency also 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.

To find out more about FSA loan programs, contact the county office staff.

Selected Interest Rates for November 2010	
90-Day Treasury Bill	0.125%
Farm Operating - Direct	2.00%
Farm Ownership - Direct	4.125%
Limited Resource	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer	1.50%
Emergency	3.75%
Farm Storage Facility Loan 7-year	1.875%
Farm Storage Facility Loan 10-yr.	2.50%
Farm Storage Facility Loan 12-yr.	2.75%
Commodity Loans 1996-Present	1.25%

Dates to Remember	
Oct. 11	Columbus Day Holiday
Nov. 5	County committee ballots mailed to voters
Nov. 11	Veterans Day Holiday
Nov. 20	NAP application sales closing date for apples, apricots, blu- berries, grapes, nectarines, peaches and pears
Nov. 25	Thanksgiving Day Holiday
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Re- serve Program

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