



SW MO FSA NEWS

February 2010

District 8 USDA Service Centers

Website Address
www.fsa.usda.gov/mo

Barry County FSA
Cassville, MO 65625
417-847-2862

Barton County FSA
Lamar, MO 64759
417-682-3571

Bates County FSA
Butler, MO 64730
660-679-6112

Cass County FSA
Harrisonville, MO 64701
816-884-4432

Cedar County FSA
Stockton, MO 65785
417-276-4712

Dade County FSA
Greenfield, MO 65661
417-637-5991

Hickory County FSA
Hermitage, MO 65668
417-745-6496

Jackson County FSA
Blue Springs, MO 64015
816-229-5113

Jasper County FSA
Carthage, MO 64836
417-358-8198

Lawrence County FSA
Mount Vernon, MO 65712
417-466-7107

Newton/McDonald Co. FSA
Neosho, MO 64850
417-451-1007

St. Clair County FSA
Osceola, MO 64776
417-646-8107

Vernon County FSA
Nevada, MO 64772
417-667-8137

SURE

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster that occurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage. Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher 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
- crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm
- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop producer 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. A SURE calculator is available at: http://www.fsa.usda.gov/Internet/FSA_File/sure_calculator_2008.xls. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online.

Emergency Livestock Assistance Program (ELAP)

Emergency Livestock Assistance Program (ELAP) was established for eligible commercial producers of livestock, honey bees and farm-raised fish that suffered death losses due to adverse weather. The ELAP program runs through October 1, 2011. Eligible losses include feed losses, physical losses and additional costs incurred in providing feed to eligible livestock. Producers who suffered losses due to eligible adverse weather or loss condition will be required to provide documentation of the losses. Losses due to adverse weather or loss condition include but are not limited to flooding, high winds, blizzards, diseases, colony collapse, high winds, freeze and lightning. For feed losses, documentation includes the types of feed purchased, cost of feed, date purchased and signatures of the vendors. Documentation for harvested feed would include evidence that supports the amount of feed claimed as harvested and lost. For losses on or after

January 1, 2010, producers must file their notice of loss the earlier of 30 calendar days:

- from when the loss is apparent to the participant
- after the end of the calendar year in which the loss occurred.

Adequate documentation must prove the loss occurred as a direct result of an eligible adverse weather event in the calendar year for which benefits are being requested. Producers must timely file an acreage report on grazing land acres, honey bee colonies, and farm-raised fish pond acres and timely file applicable notices of loss. As a reminder, there are **no** late-file provisions. Producer eligibility for ELAP also requires that all crops in all counties have crop insurance coverage or Non-insured Disaster Assistance Program (NAP) coverage for the crop year in which benefits are requested. USDA's payment limitation provisions apply to producers enrolling in the disaster program along with adjusted gross income limitations and conservation compliance.

2010 DCP Signup

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract. 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 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

ACRE

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. The June 1, 2010, signup deadline is mandatory for all participants. USDA will not accept any late-filed applications. 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 2010, the 2-year price average will be based on the 2008 and 2009 crop years. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. Payment is based on 83.3% (85% 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%, and marketing assistance loan rates are reduced by 30%. 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.

Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. **No actual tax data or numbers will be included in the report that IRS sends to USDA.** The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs. Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov/eforms/mainservlet>.

Actively Engaged

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by the FSA. Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others. The exception to this rule for a stockholder or member of a legal entity only occurs 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; and
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members cannot exceed \$40,000.

1099-G

Producers who have received payments from FSA should have received a CCC-1099-G. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income. It is not intended to replace the program participant's responsibility to report income to the IRS. When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. Refunds will no longer be reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database. Program participants with an eAuthentication user ID and password may access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page. If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data.

Highly Erodible Land & Wetland Conservation Compliance

Conservation compliance is still required for participation in farm programs. Producers, as you visit your county office this spring, make sure to review your Conservation Plan of Operation (CPO) with NRCS. Extra tillage trips to, remove ruts and level fields may require revisions to the CPO

in order not to be in violation of conservation compliance. Contact your local FSA or NRCS before fieldwork begins to protect program eligibility.

Farm Loan Programs

The Farm Service Agency (FSA) 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 of \$1,112,000. Emergency loans are 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 details, just contact the county office staff for an appointment with the farm loan staff.

Beginning and Limited Resource Farmers

FSA assists beginning farmers who are unable to obtain financing from commercial lenders. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. Applicants must meet general farm loan program requirements as well as the definition of a beginning farmer. FSA defines a beginning farmer as a person who:

- Has not operated a farm for more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's median size (for a Farm Ownership loan)

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov

Loans for the 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 or ranches. While all qualified producers are eligible to apply for these loan programs, the FSA has targeted funding for members of Socially Disadvantaged Applicants (SDA). A SDA 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 set an appointment with the Farm Loan Team that services your county. FSA loans are only available to applicants who meet all eligibility requirements and cannot obtain the needed credit elsewhere.

Reminder for Current Farm Loan Borrowers

Please remember to provide your 2009 year-end financial/production information to your local Farm Loan Team. This information is used to complete annual reviews and year-end analyses. Contact your local Farm Loan Team with any questions.

NAP Production Reporting

Producers enrolled in the Non-insured Assistance Program (NAP) are required to provide production records for individual crops each year to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information for this year and from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be reliable and verifiable. Records need to show crop disposition. It is recommended producers submit 2009 production records as soon as possible after harvest. All production records must be submitted by the subsequent crop year's final acreage reporting date.

NAP Coverage Deadlines

Noninsured Crop Disaster applications are due at different times according to the crop being insured. Producers should apply for Noninsured Crop Disaster Assistance Program (NAP) coverage using form CCC-471 (Application for Coverage). Related service fees are due when the application is filed. The application and service fee **MUST** be filed by the crop sales closing date. Contact your local FSA office for the filing dates for your crops. For most spring-seeded crops, the sales closing date for Missouri is March 15. The service fee is \$250 per crop per county or \$750 per producer per county. The fee cannot exceed a total of \$1875 per producer for individuals with farming interests in multiple counties. Limited resource producers may request a waiver for service fees. To qualify, a producer must share in the risk of producing an eligible crop.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing an eligible commodity. To be eligible, a producer must maintain continual beneficial interest in the eligible commodity. 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. FSA offers MALs on honey, wool & mohair, and an assortment of feed grains and oilseeds. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification. For more details on marketing assistance loans, contact your local FSA office.

Livestock Indemnity Program (LIP)

This program is geared towards providing benefits to livestock producers for deaths in excess of normal mortality caused by adverse weather. Adverse weather conditions include lightning, ice storms, flooding, wildfire, blizzard, tornado, extreme heat or extreme cold etc. which has been documented by the FSA county committee. LIP is an ongoing program through September 30, 2011. To be eligible, producers must report their loss numbers to their local Farm Service Agency within 30 days of the adverse weather event and death is apparent. When a producer's first LIP application is filed for a calendar year, a beginning livestock inventory

will be required. Producers need to report all losses including normal mortality losses. Adequate documentation must be provided that proved the death of eligible livestock occurred as a direct result of an eligible adverse weather event in the calendar year for which benefits are being requested. There are no disaster designations and no insurance requirements to be eligible for LIP. For more information regarding adequate documentation, eligibility requirements and etc., contact your local Farm Service Agency.

Farm Service Agency Committee

The following lists the FSA County Committee Chairperson, Vice-Chairperson, County Committee Members and County Committee Advisors for each county along with date and time of each monthly meeting:

Barry County – 2nd Tuesday of the month @ 9:00 a.m.

COC Chairperson – Tony Washeck
COC Vice-Chairperson – Joe David Hudson
COC Member – Bart Renkoski
COC Advisor – Linda Schad

Barton County - 1st Tuesday of the month @ 9:00 a.m.

COC Chairperson – Bryan Robertson
COC Vice-Chairperson – Gary Smith
COC Member – Larry Crockett
COC Advisor – Barbara Barley

Bates County – 2nd Tuesday of the month @ 8:30 a.m.

COC Chairperson – Paul Cumpton
COC Vice-Chairperson – A F Yarick
COC Member – Mike Cameron
COC Advisor – Tina Rapp

Cass County – 2nd Wednesday of the month @ 8:00 a.m.

COC Chairperson – David McKee
COC Vice-Chairperson – Bill Wendel
COC Member – Trent Smith
COC Advisor – Julie Neill

Cedar County – 1st Tuesday of the month @ 8:00 a.m.

COC Chairperson – Jim Nikodim
COC Vice-Chairperson – Liz Moreau
COC Member – Don Gannaway

Dade County – 2nd Tuesday of the month @ 8:30 a.m.

COC Chairperson – Renae Brown
COC Vice-Chairperson – James Parker
COC Member – Troy Hudspeth

Hickory County – 2nd Thursday of the month @ 1:00 p.m.

COC Chairperson – David Martin
COC Vice-Chairperson – Leonard Roberts
COC Member – Mila Swearingin

Jackson County – 2nd Tuesday of the month @ 8:00 a.m.

COC Chairperson – Patricia Chapman
COC Vice-Chairperson – L E Montgomery
COC Member – Tim Mershon



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Jasper County – 1st Tuesday of the month @ 9:00 a.m.

COC Chairperson – Cathy Stark
 COC Vice – Chairperson – Steve Chorum
 COC Member – Richard Bloss

Lawrence County – 1st Wednesday of the month @ 9:00 a.m.

COC Chairperson – Marilyn Calvin
 COC Vice-Chairperson – Nolan Kleiboeker
 COC Member – Gary – Snyder

Newton/McDonald County – 2nd Wednesday of the month @ 8:30 a.m.

COC Chairperson – Kenneth Christerson
 COC Vice-Chairperson – Don Boyer
 COC Members - Mark Heidlage, Minnie Kelly and Rose Fox

St. Clair County – 2nd Tuesday of the month @ 9:00 a.m.

COC Chairperson – Robert Truitt
 COC Vice-Chairperson – Harold Catt
 COC Advisor – Carolyn Klinksick

Vernon County – 1st Thursday of the month @ 9:00 a.m.

COC Chairperson – Bernard Johnson
 COC Vice-Chairperson – Earl Rogers
 COC Member – Belvin Legleiter

Dates to Remember	
Feb. 15	George Washington’s Birthday. FSA Offices Closed.
March 1	NAP sales closing date for Rice
March 15	2010 NAP sales closing date for forage and spring-seeded crops
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program.

Visit our website at: www.fsa.usda.gov/mo

Selected Interest Rates for February 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.625%
Farm Ownership Loans — Direct	4.875%
Limited Resource Loans	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
7-year Farm Storage Facility Loan	3.25%
10-yr. Farm Storage Facility Loan	3.75%
12-yr. Farm Storage Facility Loan	4.00%
Commodity Loans 1996-Present	1.375%

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