



FSA District 8 News

November 2010

District 8

USDA Service Center
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 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

2011 DCP Signup

Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2011. The Farm Service Agency (FSA) urges producers to make use of the eDCP automated website to sign up, or producers can visit the FSA office to complete their 2011 DCP contract.

Eligible producers receive direct payments at rates established by statute regardless of market prices. FSA will issue advance direct payments beginning Dec. 1, 2010.

2010 DCP & CRP Payments

Final DCP & CRP payments for 2010 participants were issued in October 2010. Producers who received an advance payment were paid the balance due. Those who did not take an advance should have received their full payment amount. Most payments were deposited directly into personal bank accounts. If you have not received notification of payment, check with your bank before calling your county office. If you have questions concerning treasury offsets call (1-800-304-3107)

County Committee Elections

Be watching your mailbox for your official county office committee election ballot starting early this 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.

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 AGI provisions for farm programs. In other words the computers check to see that you do not exceed income requirements of the program your participating in. **No actual tax data or numbers will be given in the report IRS sends to USDA.** 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 to avoid interruption of program benefits. Kansas City sent out letters on October 6 to those individuals who received benefits but did not return (CCC-927 and/or CCC-928) or the IRS did not deem the

form filled out correctly. If you received one of these letters from the IRS forms are available at your local FSA office or online.

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 practices on their land. The direct CLs loan limit is up to \$300,000 and guaranteed CLs up to \$1,112,000 and may be available by applying with lenders working with FSA to obtain a guarantee. The conservation practice must be part of a Natural Resources and Conservation Service (NRCS) approved conservation plan such as reducing soil erosion, improving water quality or promoting sustainable and organic agriculture. Unlike FSA's traditional farm ownership and operating loan programs that are targeted toward smaller and less financially established farmers, eligibility requirements are expanded to permit the agency to provide assistance to some applicants who may be larger and financially stronger.

NAP Deadline

The final date to purchase Non-Insured Crop Disaster Assistance Program (NAP) coverage for apples, apricots, blueberries, grapes, nectarines, peaches and pears is November 20, 2010. The application and service fee must be filed by November 20, 2010. Limited resource producers may request a waiver for service fees. The final date to purchase NAP coverage for honey is December 1, 2010, and for potatoes, December 31, 2010. In order to be eligible for the permanent disaster programs producers must purchase NAP coverage.

NAP Records

Production records for individual crops need to be filed with the county office to establish an approved NAP yield. Records submitted must be reliable or verifiable. Records need to show crop disposition. It is recommended producers submit production records as soon as harvest is completed. All production records must be submitted by the subsequent crop year's final acreage reporting date.

Also please note a 578 crop is required each year.

NAP Loss Filing

Timely filing a Notice of Loss (CCC-576) is required for all NAP crops. For losses on crops covered by Non-insured Crop Disaster Assistance Program (NAP), you must file a CCC-576 in the FSA County Office within 15 days of the occurrence of the disaster or when the loss becomes apparent. If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Farm Storage Facility Loan Program

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. The final fund disbursement will be made when all construction is completed. Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. **An FSFL must be approved before any site preparation or construction can begin.** For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

Paper Check Conversion – Over the Counter (PCC –OTC)

Over the next year, FSA/CCC is moving toward an electronic method for processing producers' checks. This will allow FSA/CCC to process collections faster. When producers present checks, either in person or through the mail, the checks will be converted into an Electronic Funds Transfer (EFT). The funds will be debited from the producer's account, usually within 24 hours of receipt. Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information:

<https://www.pccotc.gov/pccotc/pcc/usingpcc/Legal%20Notices/legalnotices.htm>

Note: FSA/CCC will begin this process in the coming months.

Selling Land

If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

Marketing Assistance Loans (Grain loans)

9 Month commodity are available now for 2010 harvest crops. (Got grain stored in a bin on the Farm to fill a contract in March or if you're expecting soybeans to hit \$20 by February?) A commodity loan can get you some bill paying cash. Check with your accountant to see if a loan before the end of the year could help your income tax.

But if you would like a loan before the year of the year please contact your local office by December 15 to allow processing. 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.*

Unauthorized Disposition of Loaned Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producers name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan. Producer notifications will be issued by FSA as spot checks are completed. Questions concerning determined acres should be directed to your local FSA office for further explanation.

Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

Disaster Assistance Programs

FSA disaster assistance programs include:
Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)
Livestock Forage Disaster Program (LFP)
Livestock Indemnity Program (LIP)
Supplemental Revenue Assistance Payments (SURE) Program
Tree Assistance Program (TAP)

To be eligible for these programs, producers must purchase catastrophic risk protection insurance for all insurable crops, and coverage for non-insurable crops under SURE, TAP, and ELAP. To be eligible for LFP, producer must have catastrophic risk protection.

Producers who meet the definition of Socially Disadvantaged, Limited Resource Producer, or Beginning Farmer or Rancher, do not have to meet this risk management purchase requirement. *Additional information is available at FSA county offices or on line at www.fsa.usda.gov.*

Crop Assistance Program

Payments will be made available to producers of eligible crops that received Secretarial disaster designations due to excessive moisture or related conditions in 2009. Producers with land physically located in Cedar County Missouri or Bourbon & Cherokee County Kansas are eligible for 2009 Soybeans. Producers of eligible crops on farms in disaster counties who certify to a 5 percent or greater crop loss in 2009 due to excessive moisture or related conditions will receive a payment based on a predetermined payment rate times the planted acres of the crop.

Signup for the Crop Assistance Program (CAP) began October 25, 2010, and continues through December 9, 2010. Disaster assistance will be issued to producers of rice, upland cotton, **soybeans** and sweet potatoes that suffered losses because of excessive moisture or related conditions in 2009.

To see a complete list of eligible disaster counties for CAP is located at <http://disaster.fsa.usda.gov>.

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

Rural Youth Loans

The Farm Service Agency 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.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not 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.

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

www.fsa.usda.gov



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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 provided priority funding for members of Socially Disadvantaged groups. 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. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Electronic Services Available

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week. To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information. To utilize electronic services a producer needs an active USDA eAuthentication Level 2 account, which requires an e-mail address and filling out an online registration form at <http://www.eauth.egov.usda.gov/> followed by a visit to the county office for identity verification. If you would like assistance establishing your account, just contact your local USDA Service Center.

Dates to Remember	
November 5	County committee ballots mailed
November 11	Veterans Day-FSA office closed
November 20	NAP application sales closing date for apples, apricots, blueberries, grapes, nectarines, peaches and pears closed
November 25	Thanksgiving Day-office closed

Selected Interest Rates for November 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.00%
Farm Ownership Loans — Direct and Direct Conservation Loans	4.125%
Limited Resource	5.00%
Farm Ownership Loans –Down Payment	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr. term	1.875%
Farm Storage Facility Loans 10-yr. term	2.50%
Farm Storage Facility Loans 12-yr. term	2.75%
Commodity Loans 1996-Present	1.250%

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