

October 2010

District 2
USDA Service Center

Grundy Co FSA Office
3415 Oklahoma Ave
Trenton, Mo. 64683
660-359-2006

Mercer Co FSA Office
Route 2 Box 317
Hwy 65 N.
Princeton, Mo. 64673
660-748-4385

Putnam Co. FSA Office
28988 US Hwy 136
Unionville, Mo. 63565
660-947-2439

Schuyler Co FSA Office
200 Green
P.O. Box 249
Lancaster, Mo. 63548
660-457-3715

Scotland Co FSA Office
Hwy 136 E
Route 1 Box 73 H
Memphis, Mo. 63555
660-465-8517

Sullivan Co FSA Office
23487 Eclipse Dr
Milan, Mo. 63556
660-265-3440



2010 DCP Final Payments

Final DCP payments for 2010 participants will be issued sometime after October 1, 2010. Producers who received an advance payment will be paid the balance they are due. Those who did not take an advance will be receiving their full payment amount. These payments will be deposited directly into personal bank accounts. If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the final Direct and Counter-cyclical Program payments you are about to receive.

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.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment. To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements

are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year. For more information on Continuous CRP enrollments, please contact your local FSA office.

Kids & Farm Safety

Farm safety for kids does not diminish after they have returned to school. Fall harvest and work with livestock get kids out of the house on evenings and weekends. Farm Safety 4 Just Kids recommends the following protection when dealing with grain, ATVs and livestock:

- Always lock access doors to grain storage structures.
- Lock out power to all types of grain-handling equipment.
- Always use the buddy system when you are unloading or loading grain, notifying a second person where you are.
- Never permit children to ride in grain wagons or enter grain storage areas.
- Always know where ALL family members are (especially children) at all times when grain is being loaded, unloaded, moved or otherwise handled.

ATV drivers: No matter what function the ATV performs, remember that it is only as capable as the operator.

Chores involving livestock care and handling are often one of the first responsibilities given to children, increasing their exposure to the dangers at an early age.

When working around animals encourage your children to:

- Be calm, move slowly, and avoid loud noises.
- Wear steel-toed shoes.
- Avoid the hind legs of the animal.
- Approach large animals at the shoulder.
- Children should avoid animals with newborns.
- Children should avoid stallions, bulls, rams, and boars.
- Always have an escape route when working with animals in close quarters.
- Wear helmets when riding horses.

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. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. 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 percent of the projected and approved total loan amount. 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. Eligible commodities for the FSFL program include: corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley, minor oilseeds, pulse crops - lentils, small chickpeas and dry peas, hay, renewable biomass, fruits (including nuts) and vegetables.

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.

What is PCC - OTC?

PCC – OTC is a process for converting paper checks presented to FSA into electronic debits to the producer's bank account. It presents many benefits, such as reducing lost/misplaced checks and paper handling. This improves customer relations, speeds the check clearing process, and

reduces the potential for human error.

How will my checks be handled?

If the check is presented in person, the check will be scanned into the system, voided, and stamped with the words, "Electronically Processed" or "Electronically Presented" and the voided check will be returned to the customer. If the check is mailed to FSA, the check will be scanned into the system and voided. The customer will not receive the check back from FSA. FSA will hold checks for up to 14 calendar days to ensure that the item was successfully processed, and then FSA will shred the check.

How quickly will funds be transferred from my account?

The transfer of funds from your account could occur within 24 hours. Therefore, you should be sure that you have sufficient funds in your account to process the transaction. If you do **not** have sufficient funds, we may initiate the transaction again.

How will this transaction appear on my account statement?

The transfer of funds will be reflected on your account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under "other withdrawals" or "other transactions".

What are my rights if there is a problem with the transaction?

You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that the transaction reported on your account statement was not properly authorized or is otherwise incorrect.

Putnam County FSA Only: Cost Share Assistance for Flood Repair Available

Now The Putnam County Farm Service Agency (FSA) is holding a sign-up for cost share assistance to repair flood damage in the county. The Emergency Conservation Program (ECP) sign-up began September 7, 2010. The deadline to complete an application is **November 5, 2010**. Field visits must be completed prior to repairing damage. Funds may be disbursed on a first-come-first-serve basis. ECP is established to share the cost of rehabilitating farmland damaged by wind and water erosion, floods, or other natural disasters with eligible farmers. ECP provides assistance to farmland that sustained damage of such magnitude that it would be too costly for the producer to rehabilitate without Federal assistance. ECP will only help restore farmland to pre-disaster conditions. Producers are encouraged to contact the Putnam County FSA office to make an application.

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 Spot Check Determinations and Notification

Each year the Farm Service Agency completes spot checks of acreage reports. Acreage reports are an integral part of farm program participation. Acreage spot checks are completed to ensure accurate acreage reports are used in farm program computations. FSA will conduct spot checks on a selected number of farms in each state. All acreage determinations will be completed using the FSA Geographic Information System official acreages. After farms are spot checked, a Notice of Determined Acreage will be sent to the farm operator. 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.

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.

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 en-

couraged 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	
October 11	Columbus Day – FSA offices closed
November 5	County committee ballots mailed to voters
November 11	Veterans Day – FSA offices closed
November 20	NAP application sales closing date for apples, apricots, blueberries, grapes, nectarines, peaches and pears

Selected Interest Rates for October 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.125%
Farm Ownership Loans — Direct	4.375%
Limited Resource	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	2.375%
Farm Storage Facility Loans 7-yr. term	2.125%
Farm Storage Facility Loans 10-yr. term	2.625%
Farm Storage Facility Loans 12-yr. term	2.875%
Commodity Loans 1996-Present	1.250%

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

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