



Missouri Farm Service Agency

Fiscal Year 2008 Accomplishments
October 1, 2007 - September 30, 2008

FSA provided \$650 million to Missouri's farmers during Fiscal Year 2008.

Missouri Farm Service Agency (FSA) helps ensure the well-being of American agriculture and the American public through efficient and equitable administration of farm commodity, farm loan, conservation and emergency assistance programs. Missouri FSA administers the farm programs legislated by Congress through our 97 county offices. In Fiscal Year 2008, Missouri FSA provided \$650 million to Missouri's farmers and ranchers.

FSA serves the public by providing all farmers and ranchers access and opportunity to participate in farm commodity, credit, conservation, environmental, and emergency assistance programs. Through these activities, FSA supports the USDA mission and helps ensure a healthful, stable, accessible and affordable food supply. FSA also fosters good land stewardship, which will help preserve our agricultural prosperity for generations to come.





Conservation Reserve Program

The Conservation Reserve Program (CRP) is a voluntary land retirement program available to agricultural producers to help safeguard environmentally-sensitive land. Producers enrolled in CRP plant long-term, resource-conserving covers to improve the quality of water, control soil erosion, and enhance wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance for 10- or 15- year contracts.

In FY 2008, Missouri FSA had 21,047 farms for a total of 1.4 million acres enrolled in CRP and received a total of \$111 million. This includes \$106 million in annual rental payments, \$2.8 million in cost-share, \$2.2 million in incentive payments and \$52,572 for wetland restoration.

Emergency Conservation Program

The Emergency Conservation Program (ECP) provides funding for farmers and ranchers to rehabilitate farmland damaged by floods, tornadoes, ice and other natural disasters and for carrying out emergency water conservation measures during periods of severe drought.

In FY 2008, 47 Missouri counties were approved for ECP and \$1.5 million was paid for farmland restoration.

Grassland Reserve Program

The Grassland Reserve Program (GRP) is a voluntary program for landowners to protect, restore and enhance grasslands on their property. USDA's Natural Resource Conservation Service, FSA, and Forest Service implement GRP to conserve vulnerable grasslands from conversion to cropland or other uses and to conserve valuable grasslands by helping maintain viable ranching operations. Missouri FSA paid \$784,347 to producers in 50 counties in FY 2008.

Direct and Counter-cyclical Payment Program

The Direct and Counter-cyclical Payment Program (DCP) provides income support to producers of eligible commodities according to historically based acreage and yields rather than the current production choices of the farmer. FSA provides annual, fixed direct payments to eligible farmers and landowners. When prices drop below specified levels, FSA also makes counter-cyclical payments to producers to offset lost market income.

In FY 2008, Missouri producers enrolled in the DCP program received a total of \$182.9 million.

Crop Disaster Program

Under the Farm Security and Rural Investment Act of 2002, disaster programs were ad hoc, meaning the programs were provided from time to time when authorized by Congress. In FY 2008, Missouri FSA provided \$43.7 million to assist with crop losses from 2005 through 2007 disasters.

Noninsured Crop Disaster Assistance Program

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to eligible producers of noninsurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters. Eligible crops must be noninsurable and commercially-produced agricultural commodity crops for which the catastrophic risk protection level of crop insurance is not available. This includes crops grown for food, including livestock feed, crops grown for fiber, grown in a controlled environment, specialty crops, value loss crops and seed crops.

In FY 2008, Missouri FSA provided \$318,365 under the NAP program.





Livestock Compensation Program

The Livestock Compensation Program (LCP) provides benefits to livestock and catfish producers who suffered feed losses or incurred additional feed costs directly resulting from natural disasters occurring between 2005 through 2007. In FY 2008, \$25 million was paid under LCP to livestock producers in Missouri.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides benefits to livestock producers for livestock deaths caused by natural disasters that occurred between Jan. 1, 2005, and Dec. 31, 2007. Missouri livestock producers received \$830,224 in FY 2008.

Tobacco Transition Payment Program

FSA provides payments over a 10-year period to former quota holders and producers of quota tobacco to help them make the transition from the federally regulated tobacco marketing quota and price support loan programs. Eligible tobacco quota holders and producers can receive payments in 10 installments in each of the 2005 through 2014 fiscal years. In Fiscal Year 2008, eligible producers and quota holders in Missouri received \$2.36 million.

Marketing Assistance Loans

Nonrecourse Marketing Assistance Loans (MALs) provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. MALs allow producers to store production at harvest and facilitate more orderly marketing of commodities throughout the year. In FY 2008, MALs in Missouri totaled \$140.7 million.

Loan Deficiency Payment Program

A producer who is eligible to receive a MAL, but agrees to forgo the loan, may obtain a Loan Deficiency Payment (LDP). The LDP rate equals the amount by which the applicable loan rate where the commodity is stored exceeds the alternate loan repayment rate, or posted county price, for the respective commodity. LDPs amounted to \$66,800 in Missouri in FY 2008.

Farm Storage Facility Loans

FSA's Farm Storage Facility Loan Program (FSFL) provides low-interest financing for producers to build or upgrade farm storage and handling facilities. This includes new bins, flat-type storage, drying and handling equipment. In FY 2008, Missouri FSA provided \$6.5 million in financing for additional on-farm storage.

Milk Income Loss Contract Program

The Milk Income Loss Contract Program (MILC) financially compensates dairy producers when domestic milk prices fall below a specified level. MILC payments are made monthly when the milk price falls below the established price per hundredweight. In FY 2008, \$49,463 was paid to Missouri's dairy producers.

Dairy Disaster Assistance Payment Program III

The Dairy Disaster Assistance Payment Program III (DDAP-III) provided funds to benefit dairy producers for dairy production losses that occurred between Jan. 1, 2005, and Dec. 31, 2007, because of natural disaster. Eligible dairy producers in Missouri received \$1.3 million in FY 2008.

Dairy Indemnity Payment Program

The Dairy Indemnity Payment Program (DIPP) pays dairy producers when a public regulatory agency directs them to remove raw milk from the commercial market because it has been contaminated. In FY 2008, Missouri FSA paid \$10,656 in DIPP payments.



Missouri Farm Loan Programs

Farm Service Agency makes and guarantees loans to family farmers and ranchers to promote, build and sustain family farms in support of a thriving agricultural economy. Eligible producers must be unable to obtain credit elsewhere and must have a satisfactory credit history. FSA makes direct loans to eligible borrowers and also provide loan guarantees to commercial lenders for up to 95 percent of the loss on principal and interest on a loan.

In Fiscal Year 2008, Missouri FSA made 1033 loans for \$132.7 million. Missouri was 9th in the nation on the total number of loans made and had the 4th lowest delinquency rate in the nation for direct loans.

Operating & Ownership Loans

FSA's Operating and Ownership Loans help recipients purchase farmland and construct or repair buildings or other fixtures, or livestock, farm equipment, feed and crop input costs. In direct loans, Missouri FSA provided \$15.5 million in operating loans and \$15.8 million in ownership loans in FY 2008. For loan guarantees, FSA guaranteed 177 operating loans for \$33 million and 201 ownership loans for \$66.3 million.

Emergency Loan Program

Emergency loans are direct loans to help producers recover from production and physical losses due to natural disasters. Applicants must be in a disaster area as declared by the President, USDA Secretary of Agriculture, or FSA Administrator. Funds are used to restore or replace essential property, pay all or part of production costs associated with the disaster year, pay essential family living expenses, reorganize the operation and refinance certain debts. In FY 2008, Missouri FSA made 41 emergency loans for \$1.9 million.

Down Payment Farm Ownership Loans

Down Payment Farm Ownership loans were developed to help beginning farmers and ranchers purchase a farm or ranch. These loans provide a way for retiring farmers to transfer their land to a future generation of farmers and ranchers. Missouri made 11 down payment loans in FY 2008 for \$735,600.

Rural Youth Loans

These are available as direct loans to individual rural youths between the ages of 10 and 20 years to establish and operate income-producing projects of modest size in connection with their participation in 4-H clubs, FFA and similar organizations. In FY 2008, Missouri FSA made 197 Rural Youth Loans for \$624,800.

Targeted Funds

Each year, Congress targets a percentage of farm ownership and farm operating loan funds to socially disadvantaged (SDA) and beginning farmers to buy and operate family size-farms and ranches. In FY 2008, Missouri FSA ranked 6th in the nation in the number of loans made to SDA applications, with 163 loans. Missouri ranked 10th in the nation in the number of loans made to Beginning Farmers with 405 loans.



FarmLoanPrograms

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