

February 2008



Daviess County News

**Daviess County
USDA Service Center**

Daviess County FSA
209 Ash Street
Gallatin, MO. 64640
660-663-3703 (phone)
660-663-3697 (fax)
www.fsa.usda.gov/mo

Hours
Monday - Friday
7:45 a.m. - 4:30 p.m.

County Committee
Sandra Chrisman
David Cox
Keith Harpster

County Committee
meets 3rd Thursday
at 8:00 A M

Staff
Teresa Akers, FLO
Patricia Barnett, PT
Denise Dixon, PT
Glynis Dotson, PT
Beth Strein, PT

FLM
Michael Harwood

CED
Kirby Payne



Farm Bill Status – Still Delayed

The U.S. House of Representatives and the U.S. Senate have passed their own versions of a farm bill. Both the House and Senate versions are subject to a threatened Presidential veto. A conference committee is working on compromises that could be acceptable to all sides.

Current authorities under the 2002 farm bill expire on March 15, 2008. Absent a new bill by that time or another extension of the current legislation, permanent farm program legislation from 1949 will again become active.

Program provisions and signup dates, under any approved farm bill authority, will be provided through this newsletter as soon as they become available.

USDA Issuing Disaster Payments For Crop, Livestock and Feed Losses

USDA is currently processing payments under the Crop Disaster Program, Livestock Compensation Program and Livestock Indemnity Program. Sign-up is ongoing for these programs. The programs provide payments to agricultural producers who suffered crop or livestock and feed losses in 2005, 2006, and 2007. Producers can apply for all years, but will only receive payment on the year with the largest payment per program. Producers must have carried crop insurance or NAP coverage to be eligible for the Crop Disaster Program and all 2007 crops are now eligible.

Farmers and ranchers can apply to receive benefits for these disaster programs by visiting their local FSA service center. Find more information about FSA disaster programs online at: <http://disaster.fsa.usda.gov>.

2007 Now Eligible Year for Livestock Program

The Livestock Compensation Program (LCP) has now been extended to include the year 2007. To apply for 2007, Daviess County producers need to provide the FSA Office with an inventory of their livestock numbers as of 4-1-07. Any livestock sold prior to 5-1-07 will need to be reported to the office as well. For years 2005 and 2006, producers must inventory their livestock numbers as of January 1st of the respective years and report any sales made prior to May 1st of those years. As noted previously, producers can apply for all years, but will only receive payment on the year with the largest payment (this is normally the year that you had the largest number of livestock).

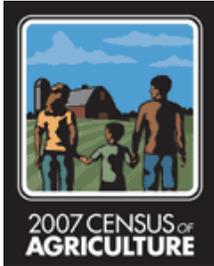
The following groups of livestock are eligible for LCP as long as they have been produced for commercial purposes as a part of the farming operation:

- Adult cows or bulls
- Non-adult beef cattle, 500 lbs or more
- Adult dairy cows or bulls
- Non-adult dairy cattle, 500 lbs or more
- Goats, sheep, swine, elk, deer, and equine (confinement operations are not eligible).

There is no sign-up deadline, yet.

County Committee Election

Producers in Local Administrative Area II conducted an election to determine their representative to the Daviess County FSA Committee. Sandra Chrisman was elected to represent the area.



Kansas City Mails 1099-G

During the last week of January, producers who have received payments from FSA should have also received a CCC-1099-G from the Kansas City office. A CCC-1099-G is a report to the Internal Revenue Service about FSA payments made to you in calendar year 2007. 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.

If you received a CCC-1099-G, we recommend that you check the amounts shown with those in your records to see that the amounts are correct. **Refunds are no longer reported on the 1099-G, but will be available online from the FSA Financial Inquiries web-based database.**

Program participants with eAuthentication user ID's and passwords can access their refund information at the FSA's homepage, and click on "Online Services". Once the page opens, click on "Financial Inquiries for FSA Producers" which is located under the "Related Topics" section. Next, producers will login with their USER ID and password and then 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. If you choose to visit the office, bring your CCC-1099-G with you.

Ownership Changes

If you have purchased land – please remember to bring a copy of the recorded deed to this office so we can have you listed as the owner. This also includes reporting title

changes from an individual to a revocable (or irrevocable) trust. Program eligibility depends on accurate farm records.

Acreage Reporting

Remember to report CRP, and all land uses. It is not too early to report CRP, wheat, or fall seeded barley NOW. CRP participants must report those acres every year.

Big Change for Haying or Grazing CRP

Beginning in 2008 managed haying or grazing of CRP must be completed by September 30. As always, haying or grazing must be requested and approved in advance. Completion must be reported to this office also.

CRP

Remember CRP land may not be disturbed during the nesting season of May 1 through July 15. Also remember to complete any required mid-contract management practices, and report that completion to this office.

NAP Application Deadline

March 15 is the deadline date for producers to apply for Noninsured Crop Disaster Assistance Program, or NAP coverage. NAP is available for crops for which crop insurance is not available like double crop soybeans, oats, hay, and pasture. This program resembles crop insurance since it was designed to reduce financial losses resulting from weather related crop disasters. A loss of 50% must be experienced before a payment will be eligible. The application and service fee must be filed by the applicable closing date for each of the 2008 spring seeded NAP crops. To remain eligible for NAP, a producer must annually report the crop, including: type, variety, location, producer shares, date planted, and the intended use (fresh, processed, etc.). Once the crop is harvested the production must also be reported.

The application service fee is \$100 per crop per county or \$300 per producer per county. The fee cannot exceed a total of \$900 per producer with farming interest in multiple counties. Limited resource producers may request a waiver of service fees.

In the event of a crop failure caused by natural disaster, the producer needs to notify the local

FSA office by completing a “Notice of Loss” (form CCC-576). The notice of loss must be executed within 15 days of the date the damage became apparent.

Farm Storage Facility Loans

Do you need more storage capacity for your farming operation? Check with your local FSA office to discuss the possibility of a Farm Storage Facility Loan. Now is the time to start planning to have the storage facility of your choice ready for next fall’s harvest, and an excellent time to take advantage of many suppliers’ pre-season discounts. Low cost loans for storage facilities continue to be available for producers to build or remodel farm storage facilities

The seven-year FSFL’s are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional type cribs or bins, buildings especially designed for the storage of grain and new and remanufactured oxygen-limiting and other upright silo-type structures.

All FSFL’s are secured with a promissory note and security agreement. The maximum amount that may be borrowed is 85% of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. A \$45.00 application fee is assessed and other fees are incurred depending on the type of loan being processed. Interest rates for February are 3.5%. Contact your local FSA office for complete details concerning the Farm Storage and Facility Loan program.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for timely payments to be made, producers need to notify the FSA County office staff if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Programs Extended to March 15, 2008

On Dec. 26, 2007, President George W. Bush signed the *Department of State, Foreign Operations and Related Programs Appropriations Act, 2008* (2008 Act). The 2008 Act, extends FSA’s authority to administer the Conservation Reserve Program (CRP) and marketing loan benefits for wool and mohair through March 15, 2008. Under the 2002 Farm Bill, USDA’s authority to administer these programs expired on Dec. 31, 2007.

Additionally, the 2008 Act provides \$3.3 billion in direct and guaranteed loan funds for FSA’s Farm Loan Programs.

Direct and Guaranteed Loans Available

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 available now.

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.

Loan funds are available now — apply early so that a loan can be processed and funded in a timely manner. Most of our loan programs have special funding available for minority, female and beginning farmers. FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact the FSA loan officials to arrange an appointment to meet with you and discuss your options.



Selected Interest Rates for February 2008	
90-Day Treasury Bill	3.000%
Farm Operating Loans — Direct	3.875%
Farm Ownership Loans — Direct	5.000%
Limited Resource Loans	5.000%
Farm Ownership Loans Beginning Farmer Down Payment	4.000%
Emergency Loans	3.750%
Farm Storage Facility Loans	3.500%
Commodity Loans 1996-Present	4.125%

2007 Crop Loans

Marketing loans are available for 2007 crops of corn, soybeans, grain sorghum and wheat. These loans mature nine months after the month of disbursement. Loan rates are as follows:

- Corn - \$1.89
- Soybeans - \$4.97
- Grain Sorghum - \$3.28 cwt

The interest rate for all loans disbursed in February is 4.125%. Measurement service is available through this office to ensure accuracy of the amount of grain stored. For commodities to be eligible for loans they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. This office must be notified before removal or feeding of any grain pledged for loan. This notification can be a phone call.

Even though prices for grain are at high level, the marketing loan is an effective tool to receive funds to pay higher interest loans while retaining the grain for potential price gains. The final date to request a loan on 2007 spring seeded crops is May 31, 2008 and the final date to request a wheat loan is March 31, 2007.

Dates to Remember	
Feb. 18	President's Day Holiday. FSA Offices Closed.
Mar. 15	2002 Farm Bill Extension deadline for 2008 LDP's on wool, mohair and unshorn pelts.
Mar. 15	2002 Farm Bill Extension deadline for Contract Approval for all CRP, including CREP program practices.
Mar. 15	Deadline to obtain 2008 NAP coverage on spring planted crops.
Mar. 31	Final Availability for 2007 crop wheat, barley, oats, honey loans and LDP's.
Continuous	Farm Storage Facility Loan program.

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

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