



December 2006

District 7 News

Bollinger County FSA

Office Hours: 8:00-4:30
Phone: 573-238-2671

Butler County FSA

Office Hours: 8:00-4:30
Phone: 573-785-8416

Cape Girardeau County FSA

Office Hours: 8:00-4:30
Phone: 573-243-1467

Dunklin County FSA

Office Hours: 8:00-4:30
Phone: 573-888-2536

Jefferson/Washington FSA

Office Hours: 7:00-4:30
Phone: 636-789-2441

Mississippi County FSA

Office Hours: 8:00-4:30
Phone: 573-649-9930

New Madrid County FSA

Office Hours: 7:30-4:30
Phone: 573-748-2557

Pemiscot County FSA

Office Hours: 7:45-4:30
Phone: 573-333-1923

Perry County FSA

Office Hours: 7:30-4:30
Phone: 573-547-6531

Ripley/Carter County FSA

Office Hours: 7:45-4:30
Phone: 573-996-7116

Scott County FSA

Office Hours: 7:30-4:30
Phone: 573-545-3593

Ste. Genevieve County FSA

Office Hours: 7:00-4:30
Phone: 573-883-2703

St. Francis/Iron County FSA

Office Hours: 7:00-4:30
Phone: 573-756-6488

Stoddard County FSA

Office Hours: 7:00-4:30
Phone: 573-624-5939

Wayne/Madison County FSA

Office Hours: 7:45-4:30
Phone: 573-224-3410

District Director

Billy Swiney
Butler County FSA
Phone: 573-785-8416

OFFICES PERFORM ELIGIBILITY REVIEWS

Over the next couple of months, Missouri FSA county offices will be conducting an in-depth review of the documents used to support producer eligibility. The review is the Agency's effort to ensure the accuracy of all payments made. This process takes great attention to detail and more time. As a result, some future payments may not get to you as quickly as they have in the past.

You can assist with this process by contacting your local office to make an appointment before coming in to sign-up for programs or request program payments.

In addition, if you wish to receive the 2007 advance DCP direct payment for the month of December, consider contacting the county office as soon as possible. Scheduling an appointment early may increase your likelihood of receiving this payment before the end of the calendar year as a review of your eligibility file must be completed before payment disbursement.

Although the eligibility reviews may consume more time of the county office employees, FSA remains committed to outstanding customer service and timely distribution of payments to producers.

2007 DCP Sign-up Continues

The 2007 Direct and Counter-cyclical Payment Program (DCP) began October 1, 2006, and will continue until June 1, 2007. Farmers are encouraged to sign up for the DCP program online. The online service is an example of the technological innovation USDA is using to make its programs more accessible.

Following the June 1, 2007, deadline, USDA will accept late applications through Sept. 30, 2007, with a \$100 late fee. While DCP participants must sign DCP contracts annually, producers can choose not to participate in the program in any given year.

The electronic DCP (or eDCP) service saves producers time, reduces paperwork and speeds up contract processing at USDA Farm Service Agency (FSA) offices. It is available to all producers who are eligible to

participate in DCP and who establish an eAuthentication account. The service has strict security measures to protect participants' private information. Only authorized federal employees have access to information producers submit electronically.

USDA computes DCP payments using base acres and payment yields established for each farm. Producers receive direct payments at rates established by statute regardless of market prices. For 2007, eligible producers may request to receive direct advance payments based on **22 percent** of the direct payment rate for each commodity associated with the farm. USDA will issue DCP advance direct payments beginning Dec. 1, 2006. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price (which takes into account the direct payment rate, market price and loan rate) for a commodity is below its target price.

Outreach Program

The Farm Service Agency makes direct and guaranteed loans to socially disadvantaged applicants, enabling them to buy and operate family-size farms and ranches. Funds are reserved each year specifically for these loans, but regular loan funds can also be used.

Direct loans may be made to qualified applicants by FSA for both farm operating and farm ownership purposes. Guaranteed farm loans also may be made for ownership or operating purposes, and may be made by any lending institution subject to Federal or state supervision (banks, savings and loans, and units of the Farm Credit System) and guaranteed by FSA. Some state governments also operate farm loan programs that are eligible for FSA guarantees. FSA typically guarantees 90 or 95 percent of a loan against any loss that might be incurred if the loan fails.

Persons who are primarily and directly engaged in farming and ranching on family-size operations may apply. A family-size farm is one that a family can operate and manage itself.

Socially disadvantaged loan applicants do not receive automatic approval. In addition to being members of a socially disadvantaged group, individual applicants under this program must meet all requirements for FSA's regular farm loan program assistance, including:

- Have a satisfactory history of meeting credit obligations.
- Have sufficient education; training, or at least one-year's experience in managing or operating a farm or ranch within the last five years for a direct operating loan, or, for a direct farm ownership loan, have participated in the business operation of a farm or ranch for three years;
- Be a citizen of the United States (or a legal resident alien), including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and certain former Pacific Island Trust Territories;
- Be unable to obtain credit elsewhere at reasonable rates and terms to meet actual needs; and
- Possess legal capacity to incur loan obligations.

A socially disadvantaged person 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. Contact the county office staff for details about this program.

Farm Reconstitutions

In program terminology, farms are *constituted* to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm *reconstitution* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-cyclical Program.

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

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.

Changes in Farming Operations

It is imperative that producers accurately report their farming operation to the county office. This is done on the CCC-502 and will be part of the eligibility review mentioned earlier in this newsletter. One of the easiest changes to miss is when an individual converts their operation to a Revocable Living Trust using their social security number for tax purposes. If you have established a Revocable Living Trust please notify the county office immediately to avoid potential eligibility problems.

Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll 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 or local Conservation Reserve Enhancement Program (CREP) availability, please contact your local FSA office or visit <http://www.fsa.usda.gov/pas/publications/facts/html/crpcont03.htm>

Milk Producers Reminded of Program Requirements

Dairy producers participating in the Milk Income Loss Contract Extended (MILCX) program are being reminded to select the month they wish production payments to begin.

If producers start month for fiscal year 2006 was never modified, then the production start month will remain in effect for this fiscal year and no action by the producer is necessary. Also, if producers have already designated a production start month for FY2007 and they do not wish to change it, no action is necessary. Changes to the MILCX start month must be submitted to the County Office on or before the 14th of the month

originally selected as the start month or as the newly selected start month. If the 14th of the month falls on a weekend, as is the case this month, the dairy operation production start month selection must be made on the last working day proceeding the weekend. The start month designation cannot be changed if the new month being selected has already begun or already passed.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- A married woman shall sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor's signature and one from an eligible parent
Note, by signing the applicable document, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc
- When signing on one's behalf the signature must agree with the name typed or printed on the form, or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc. NOTE: Some programs may require full legal name and signature.
- FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.
- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities
- Any member of a general partnership may sign for the general partnership and bind all members unless the Articles of Partnership are more restrictive (**this is a recent change**)
- Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office

Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts shall consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

Kwanzaa December 26-January 1

Kwanzaa began in the United States in 1966 and is patterned after an East African festival. Kwanzaa decorations traditionally use a color scheme of red, black, and green: black to represent the faces of Black people and their collective beauty, red to represent the struggle and the blood of ancestors, and green to signify youth and renewed life.

Kwanzaa observance includes storytelling about the seven principles of Kwanzaa: Unity, Self-Determination, Collective Work and Responsibility, Cooperative Economics, Purpose, Creativity, and Faith.

Dates to Remember	
Dec. 4-11	County Offices Count COC Election Ballots
December 25	Office Closed for Christmas
January 1	Office Closed for New Years
January 15	Office Closed-Holiday
January 31	Final date for Wool and Mohair LDP or Loans
March 15	NAP Deadline for Spring Seeded Crops and Horseradish
March 31	Deadline for Honey Loans
March 31	Final date for Wheat, Oats and Barley Loans
May 31	Final Date for Corn, Soybean, Rice, Cotton and Milo Loans
June 1, 2007	DCP Signup Deadline
June 30	Final Date to report Wheat and Small grains
July 31	Final date to report Spring Seeded Crops

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