



December 2007

Douglas/Ozark County FSA Newsletter

Douglas/Ozark County
USDA Service Center

Phone and FAX numbers

1-800-434-0366 Long Dis-
tance Phone
417-683-4212 EX2 Local
phone
417-683-3054(fax) or

www.fsa.usda.gov

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Gary Harvill: Chairman
Don Moss: Vice Chairman
Floyd Graham: member
Marty Morrison: member
Mick Plummer: member
Teresa Rodgers: minority
advisor

County Committee meets
2nd Thursday monthly

District Director:
James J. Kyle

County Office Staff:
Timothy K. Kennemer
County Executive Director

Jared Weydert: Farm Loan
Manager

Debby Tate: Program
Tech.

Elaine Graham: Program
Tech.

Janet Streight: Farm Loan
Program Tech.

SIGN-UP DATES FOR NEW LIVESTOCK AND CROP DISASTER PROGRAMS

Sign-up dates for the new Livestock Compensation Program, Livestock Indemnity Program and Crop Disaster Program have been announced. Eligible ranchers and other livestock producers can apply to receive benefits under the Livestock Compensation Program (LCP) and Livestock Indemnity Program (LIP) starting now. Eligible farmers can sign-up for the Crop Disaster Program (CDP) beginning October 15, 2007, if they suffered quantity losses to their crops, and had purchased a NAP policy for the year of the loss. USDA will announce and conduct CDP sign-up for quality losses as soon as possible.

LCP compensates livestock producers for feed losses or and LIP for livestock losses occurring between Jan. 1, 2005, and Feb. 28, 2007, due to a natural disaster. Producers in primary counties declared secretarial disaster areas or certain counties declared presidential disaster areas between Jan. 1, 2005, and Feb. 28, 2007, are eligible. All counties in Missouri are eligible for all 3 years (2005, 2006, and 2007).

CDP provides benefits to farmers who suffered quantity and quality losses to 2005, 2006, or 2007 crops from natural disasters if the crop was planted before Feb. 28, 2007, or, in the case of prevented plantings, for crops that would have been planted before Feb. 28, 2007. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year to apply for benefits. Producers may apply for benefits for losses to multiple commodities as long as the losses occurred in the same crop year. Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits. Producers must have suffered

quantity losses in excess of 35 percent to be eligible for CDP. Contact the county office for details. **You must call the office for an appointment for the programs, for a local call the phone number is 683-4212 x2 and non local please call 1-800-434-0366 x2**

EMERGENCY CONSERVATION PROGRAM (ECP) WATER WELLS & PIPELINES

A lack of moisture over an extended period of time has caused producers in Ozark County to suffer from the effects of drought conditions. Producers in Ozark County experiencing sever drought conditions may be eligible for cost share assistance under the Emergency Conservation Program (ECP). At this time Douglas County has not qualified for this program.

Ozark County producer qualifying for the ECP assistance may receive cost share for permanent measures on 50 percent of the total eligible cost.

Approved Practices and measures include:

- Installing pipelines or other facilities for livestock water.
- Construction and deepening wells for livestock water.

Producer who have experienced sever drought conditions requiring outside assistance to provide supplemental emergency livestock water may contact the office

To be eligible for cost share, practices should not be started until a request has first been filed at the FSA office, and an onsite inspection of the problem area has been made.

Signup for the ECP program began Monday November 26th and will end on **December 17th**.

Payment Limitations

USDA payments and benefits are subject to producer eligibility and limitation provisions as defined by law. Documents and forms to determine eligibility and limitation once completed are reviewed on an annual basis.

It is the producer's responsibility to report changes in the farming operation that may affect payment eligibility and payment limitation.

The following limitations apply to Direct and Counter-cyclical Program payments for each contract year. For all covered commodities (except peanuts): \$40,000 for direct payments and \$65,000 for counter-cyclical payments. For peanuts: \$40,000 for direct payments and \$65,000 for counter-cyclical payments.

The Environmental Quality Incentive Program has a \$450,000 payment limitation.

The Conservation Reserve Program annual limit is \$50,000 per person.

Entities such as corporations, limited partnerships, trusts and estates are required to provide names, addresses, and ID numbers of their members. These entities should also identify every payment under more than one entity.

Adjusted Gross Income - Effective through 2007, an individual or entity shall not be eligible for certain program benefits during a crop, program or fiscal year if both of the following apply.

- The three-year average of the adjusted gross income for the individual or entity exceeds \$2.5 million; and
- Less than 75 percent of the average AGI is derived from farming, ranching or forestry operations.

Loan and LDP Information

Loans or LDPs are available for producers who share in the risk of producing crops. To be eligible, you must maintain beneficial interest in the crop through the time of application. Producers who have contracted the commodity, sold directly off the field, or immediately fed the commodity should have filed a CCC-633EZ page 1 to maintain eligibility for an LDP. The CCC-633EZ page 1 needs to be signed prior to harvest. Producers who deliver grain under a delayed pricing contract lose beneficial interest upon delivery, in most cases.

Electronic Loan Deficiency Payments (eLDP) are available to producers who have an active USDA eAuthentication Level 2 account. The eLDP is an internet based service allowing producers to request certified LDPs online and, in most cases, receive approval and payment by direct deposit within 48 hours.

eLDP services provide greater flexibility to producers allowing them to minimize travel to and from county offices. eLDPs are available 24 hours a day, seven days a week, except during routine backup and maintenance.

Commodities harvested for other than grain (such as hay or silage) are also eligible for LDPs. Applications should be made prior to feeding or selling. The maxi-

mum eligible quantity is based on actual production of grain for the farm. If actual production is not available, the county committee may assign a yield based on three similar farms in your area. Yield for crops that sustained weather damage will be based on the insurance appraisal.

Interest rates vary monthly and are based on the month of approval. Rates are subject to change Jan. 1.

Loan repayment options, include:

- repay the loan, principal plus interest
- repay the loan at the market repayment rate
- deliver the outstanding quantity to a designated warehouse

When commodities are under loan and used as collateral, they may not be moved without prior consent from the county office.

NAP

The Non-Insured Crop Disaster Assistance Program (NAP). NAP is designed to reduce financial losses when natural disasters cause a catastrophic loss of production for an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Producers who had NAP coverage may choose to continue coverage on the same crops for next year, if the applicable service fee is submitted by the application closing date. A new form CCC-471, Application for Coverage, is not required to be signed when applying for continuous coverage of the same crops.

Producers who choose to add or delete a crop from the previous year's coverage or changing crop shares must file a new CCC-471, with signatures, and pay the applicable service fee.

Producers with NAP coverage are required to **1)** file a Notice of Loss within 15 days of when a loss is apparent; **2)** timely file acreage reports; and **3)** keep track of harvested production using acceptable methods.

Loans for Beginning Farmers, Socially Disadvantaged

FSA is authorized to assist beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person whom:

- 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 average farm size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

The FSA can make and guarantee loans to socially disadvantaged applicants (SDA) to buy and operate family-sized farms. Funds specifically for these loans are reserved each year.

A SDA is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as a member of the group without regard to his or her individual qualities. . Socially disadvantaged groups are Hispanics, American Indians, African Americans, Asians, Pacific Islanders and women.

Direct loans may be made to applicants by FSA for both farm operation and ownership. 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 provisions and guaranteed by FSA. FSA typically guarantees 90 or 95 % of a loan against any loss that might be incurred if the loan fails. Persons who are primarily and directly engaged in a family-sized farming operation may apply.

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

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

Wool & Mohair Loans or LDPs

Wool and mohair producers will find applying for commodity loans and loan deficiency payments for the wool, mohair and unshorn pelts a little simpler this year thanks to the Farm Service Agency's new CCC-633 EZ form. The EZ form will take the place of the older CCC-633 PELT and CCC-709 PELT forms. Page one of the EZ form takes the place of the 709 PELT form and indicates the producer's intention to receive LDP benefits later on. It's important to complete EZ page one before losing beneficial interest in the commodity.

Producers should complete page one of the EZ form as soon as possible for their current crop year wool, mohair and unshorn pelts. After page one is completed, producers can request benefits at any time during the period that loans or LDPs are available, before or after losing beneficial interest.

Grain growers also use the CCC-633 EZ. Once page one is on file, grain producers can complete page two at a later date when they want to apply for an LDP.

The CCC-633 EZ simplifies requests for LDPs for wool, mohair and unshorn pelts. Page four of the revised EZ form is specifically for wool and mohair producers to request an

LDP.

SIGN-UP BEGINS DECEMBER 3 FOR DAIRY DISASTER AID PROGRAM

Eligible dairy producers can sign up for the Dairy Disaster Assistance Program (DDAP-III) at local U.S. Department of Agriculture Farm Service Agency (FSA) service centers beginning Monday, Dec. 3, 2007.

DDAP-III will help dairy producers recover production losses resulting from a variety of adverse weather conditions in the last few years. The program provides \$16 million in benefits to dairy producers for production losses that occurred between Jan. 1, 2005, and Feb. 28, 2007, because of qualifying natural disasters. It compensates producers for production losses that resulted from lost herds or dumped milk when dairy plants closed or the natural disaster damaged containment equipment. Additionally, power outages, fuel shortages, and infrastructure damage may have temporarily interrupted the flow of dairy products to markets.

To be eligible for DDAP-III, dairy producers must have suffered losses in primary and contiguous counties declared or designated a natural disaster. Also, producers in counties receiving an FSA Administrator's Physical Loss Notice determination are eligible.

Under proposed rules, USDA will calculate payments to eligible producers by multiplying the eligible pounds by the average price received for commercial milk production in the affected areas during the disaster for 2005 and 2006, and for the months of January and February 2007. If the total amount of funding (less any reserve established for disputed claims) is insufficient to compensate eligible producers for losses, then USDA will pay losses at two levels in an effort to more equitably distribute the limited funds and maximize the effectiveness of the program. USDA provides more information on proposed DDAP-III provisions in a fact sheet posted online at: <http://disaster.fsa.usda.gov>.

Dates to Remember	
Dec 3	Last day to return ballots
Dec 25	Closed for Christmas
Jan 1	Closed for New Years Day
Jan 21	Closed for Martin Luther King Day
Feb 18	Closed for Presidents Day

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, rice, soybeans and corn.

The seven-year Farm Storage Facility Loans 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 and new and remanufactured oxygen-limiting and other upright silo-type structures.

All farm storage facility loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

Reporting Losses

If you had any failed crop acres, give serious thought to report them before destroying crop evidence. If Congress authorizes a crop disaster program in the future, proof of failed acreage may be required for your participation.

It's important to report failed acreage not brought to harvest to the county office staff prior to destruction. Ensuring that failed acres are documented could be the determining factor in whether you are eligible for future crop disaster program payments.

If you are experiencing low crop yields, you should keep good production records, but you don't need to report this acreage right now.

The CCC-576, Notice of Loss, is used to report failed acreage and may be completed by any producer with an interest in the crop. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP), you must contact the FSA county office staff within 15 days of the occurrence of the disaster or when losses become apparent. Producers with crop insurance should contact their local agent when losses occur and before destroying the crop.

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