

USDA NEWS

Grundy
Putnam
Schuyler
Sullivan

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Welcome to your new FSA Newsletter!

Over the past couple of months you may have noticed different counties listed on your newsletter. Since USDA program rules and regulations are the same regardless of your county we thought a "group" newsletter would enable us to get more information to a larger group of producers. We hope you find this to be as beneficial as we do. *Thanks!*

**Crop Acreage Reports**

All cropland, whether idle or planted, must be reported in order to receive benefits from the Direct and Counter-Cyclical Program, Marketing Assistance Loans, Loan Deficiency Payments (LDP's) and Conservation Reserve Program (CRP).

Prevented planting and failed acreage should also be reported.

Prevented Planting Acreage: Prevented planting occurs when a crop cannot be planted during the established planting period because of a natural disaster. Producers who are requesting prevented planted credit shall provide sufficient information that all cropland feasible to plant the commodity, and prevented from being planted, was affected by a natural disaster rather than a management decision. Preliminary efforts made to plant the crop must be evident such as seedbed preparation or orders for purchase or delivery of seed, chemicals, and fertilizer.

Failed Acreage:

Failed acreage is acreage that was timely planted with the intent to harvest, but because of disaster related conditions, the crop failed before it could be brought to harvest. Producers must provide information that the crop was planted with the intent to harvest using farming practices consistent for the crop and area, and that the acreage failed because of disaster-related conditions.

Notice of Loss: Producers must notify FSA within 15 calendar days after the

- Latter of the occurrence of prevented planted or the end of the planting period.
- Disaster occurrence of date damage to the specific crop acreage is apparent to the producer.

The deadline to report is July 31, 2006.

NAP (Non-insured Crop Disaster Assistance Program)

NAP provides financial assistance to eligible producers affected by drought, flood, hurricane, or other natural disasters. NAP covers non-insurable crop losses and planting prevented by disasters. Landowners, tenants, or sharecroppers who share in the risk of producing an eligible crop are eligible. Eligible crops include commercial crops and other agricultural commodities producer for food, including livestock feed or fiber for which the catastrophic level or crop insurance is unavailable. Also eligible for NAP coverage are controlled-environment crops (mushroom & floriculture), specialty crops (honey & maple sap), and value loss crops (aquaculture, Christmas trees, ginseng, ornamental nursery, and turf grass sod). Producers covered by NAP should report crop acreage shortly after planting. Any loss due to natural disaster must be reported within 15 calendar days of the date the disaster occurred or damage to the crop becomes apparent. Producers should notify the FSA office by completing part B, Notice of Loss on Form CCC-576, Application for Payment.



Graze Out for Small Grains

Producers with 2006 crop wheat, oats, barley, or triticale, who choose to graze-out acreages of the commodity with livestock, are eligible for price support payments. The producer must agree to forgo any other harvesting on the designated acreage. The payment rate will be the LDP rate in effect on the date the CCC-633-GRAZING form is filed. Applications cannot be withdrawn or cancelled once submitted. The application period begins on the first day the crop is normally mechanically harvested as determined by each County FSA Committee and ends March 31, 2007.

2006 County Committee Election Approaches

It's county committee election time, and since this only happens once a year, here is an election refresher. For election purposes, counties are divided into local administrative areas, or LAAs. Each LAA contributes one producer to serve a three-year term on the Farm Service Agency county committee. Most counties are divided into three LAAs.

Each year, an election is held in an LAA to replace the committee member whose three year term is expiring. In counties with three LAAs, one seat is up for election. In combined counties in some years, two seats may be up for election.

There are three steps in the election process: (1) the call for nominations, (2) the election, and (3) the installation of new committee member.

Nominations for candidates to run for the FSA's county committee election will be accepted from June 15 through August 1, 2006. Producers who are residents in the LAA holding the election, who participate or cooperate in an FSA program and are of legal voting age may be nominated. Individuals may nominate themselves or others as candidates. Also, organization representing socially disadvantaged minorities and women farmers or ranchers may nominate candidates.

A nomination form FSA-699A is available at your local FSA office. You may download the form from <http://www.fsa.usda.gov/mo/>.

2006 County Committee Elections

County	LAA	Townships
Grundy	3	Myers, Liberty, Marion, Wilson
Putnam	1	Elm, Grant, Liberty, Lincoln
Schuyler	1	Chariton, Glenwood, Liberty
Sullivan	2	Jackson, Polk, Pleasant

Payment Limitation / Eligibility

USDA payments and benefits are subject to producer eligibility and payment limitation provisions as defined by law.

Payment Limits:

<u>Program</u>	<u>Annual Limitation</u>
Rental Payments (CRP)	\$50,000
Direct Payments (DCP)	\$40,000
Counter-Cyclical Payments (DCP)	\$65,000
Loan Deficiency Payments (LDP)	\$75,000

(Entities such as corporations, limited partnerships, trusts, limited liability companies, and estates re required to provide the names, addresses, and ID numbers of their members.)

Eligibility:

To receive any FSA payment, no matter what the amount, the payee must be determined "actively engaged" in farming by contributing a mixture of land, capital, machinery, labor, and management, depending on the type of farming operation involved. It is the producer's responsibility to report changes in the operation which may affect their eligibility or a limitation. Failure to keep FSA records updated can result in the loss of benefits and a refund of payments already received.

CRP Compliance and Cover Maintenance

CRP participants should be mindful of the key general provisions contained in the CRP contract and appendix. If you are a participant and have not read the full contract, including the appendix, FSA strongly urges you to do so immediately. Likewise, if you are unfamiliar with your conservation plan, FSA urges you to review it immediately.

Failure to adhere to CRP program provisions, including any required management practice schedules, or failure to follow the conservation plan in any way, may jeopardize the CRP contract and result in costly penalties and refunds. Highlights of the most important provisions are:

- ◆ CRP cover establishment must be completed timely and in accordance with guidelines set forth in the conservation plan.
- ◆ CRP acreage may not be harvested or grazed without a conservation or management plan that allows for such activity, and such activity is limited on a per acre basis to once in three years.
- ◆ Any CRP required maintenance activity such as mowing, burning, spraying, or disking is the participant's responsibility and is limited on a per acre basis to once in three years, and must be conducted according to the conservation plan.
- ◆ All CRP required maintenance activity, and managed haying or grazing, must be conducted outside the primary nesting season (May 1 through July 15)
- ◆ State noxious weeds and any other specified undesirable weeds must be controlled.
- ◆ Mowing of CRP acreage for generic weed control is prohibited, except as outlined in the conservation plan.
- ◆ Spot treatment of the acreage for weed or insect control may be allowed during the primary nesting season—with prior FSA Committee approval—if certain criteria are met.

Please contact your local county FSA office should you need additional information, or if any regulations that may apply to you are unclear. For help understanding your conservation plan, please contact your local Natural Resources Conservation Service.

MANAGED HAYING AND GRAZING OF CRP

Managed haying or grazing on land enrolled in the Conservation Reserve Program (CRP) has now become an option for producers due to changes brought about by the 2002 Farm Bill. This sweeping change is retroactive, and not limited to newly enrolled CRP acreage.

Haying will be permitted from July 16th until October 15th.
Grazing will be permitted from July 16th until November 12th.

Haying and grazing will not be allowed on the same acreage, and will be limited to once in three years on a per acre basis. Other stipulations may apply as outlined in the conservation plan. A 25% reduction CRP rental payment will be levied for acreage hayed or grazed. Before haying or grazing, a conservation plan must be established in conjunction with NRCS that includes managed haying and grazing practices.



Reminders . . .

- * Cost Share is available for CRP management practices. Be sure to turn in your bill for maintenance.
- * CRP REX (2007) contracts need to be approved by September 30, 2006
- * CRP REX (2008–2010) contracts need to be approved by December 31,



Farm Record Changes

Any ownership, operator, or address changes should be reported timely to the FSA office to keep records current. Adding or dropping a farming interest will also require you to update your conservation plan and payment limitation requirements. If you transfer your land into a trust, you must bring in your trust paperwork and report the change to our office.



2006 Loan Deficiency Payments

Last year millions of dollars were disbursed to producers who requested Loan Deficiency Payments (LDP). In 2005, FSA rolled out a new, streamlined LDP process that included a new application form CCC-633EZ. **This form will be the only one accepted in 2006.** The following is provided as a review of the new process and explains how; and when, pages of the new form should be submitted.

CCC-633EZ (Page 1)

- A single Page 1 signed by the producer covers all farms and all LDP eligible commodities in all counties, and *should* be filed before harvest or shearing. It *must* be filed before beneficial interest in the commodity is lost.
- A Page 1 can be submitted to any FSA Office.
- The Page 1 only indicates the producer's intention to receive future LDP benefits and is not a request for payment.

CCC-633EZ (Page 2)

- A separate Page 2 must be submitted each time an LDP payment is requested on a designated quantity of grain.
- A Page 2 can be submitted after the grain is harvested and while it is in storage.
- The LDP rate per bushel will be the rate in effect on the day the Page 2 is received.
- A Page 2 can be submitted after beneficial interest is lost. The LDP rate per bushel will be the rate in effect on the day beneficial interest was lost.

CCC-633EZ (Page 4)

- A separate Page 4 must be submitted each time an LDP payment is requested for wool, mohair, or unshorn pelts.

Many producers are visiting their servicing FSA Office to file their 2006 acreage reports after spring planting. These visits are a great opportunity to file your Page 1 and to get a more detailed explanation on how the Page 2 process works.

Want to conduct your FSA business online?

Go to the following website and request a level 2 ID.

<http://www.eauth.egov.usda.gov/#L2>



FSA Information on the Internet

Want to check out daily LDP prices, news releases, and other FSA information? Log on to these user friendly websites:

<http://www.fsa.usda.gov>

The Missouri State FSA home page is <http://www.fsa.usda.gov/mo/>

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