



**January 2008**

# **Missouri Producer**

## **Missouri Farm Service Agency**

Parkade Center, Suite 225  
601 Business Loop 70 W  
Columbia, MO 65203  
[www.fsa.usda.gov/mo](http://www.fsa.usda.gov/mo)

### **Hours**

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

### **State Committee**

Don Fischer, Chairman  
Julie Hurst  
Craig Westfall  
Barbara Wilson  
Dan Jennings Jr.

### **Staff**

Tim Kelley, State Executive Director  
Bob Fullerton, Administration  
Dan Gieseke, Farm Loans  
Bo Wendleton, Compliance  
Gerald Hrdina, Conservation  
Everette Wood, Price Support  
Mike Lafolette, Production Flexibility

## **USDA Issues Disaster Payments For Crop, Livestock And Feed Losses**

Recently, USDA's Farm Service Agency (FSA) began issuing payments to tens of thousands of farmers and ranchers across the country who suffered losses because of natural disasters.

USDA is currently processing about \$1 billion in payments under the Crop Disaster Program, Livestock Compensation Program and Livestock Indemnity Program. Sign-up for these programs is ongoing. The programs provide payments to agricultural producers who suffered crop, livestock and feed losses in 2005, 2006, and before Feb. 28, 2007. But, producers must choose one year for which to receive payments.

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

## **LDP Deadline on Wool, Mohair and Unshorn Lamb Pelts**

Eligible producers have until Jan. 31, 2008, to apply for LDPs for wool, mohair and unshorn pelts produced during the 2007 crop year.

Eligible producers must:

- have beneficial interest in the wool or unshorn pelts owned the lamb for at least 30 calendar days before the date of shearing or slaughter
- sold the unshorn lambs for immediate slaughter or slaughtered the lamb for personal use
- comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

## **Financial Inquiries**

As we begin the new year its time to start thinking about gathering financial records and filling out a 1040. Currently, producer financial information is not available on the USDA Customer Statement under FSA Benefits Summary. Producers can view his or her financial information on the Financial Inquiries website using their Level 2 account authorization. Producers who want to

<b>Dates to Remember</b>	
Jan. 1	New Year's Day Holiday. <b>FSA Offices Closed.</b>
Jan. 1	Elected Committee Members and alternates take office.
Jan. 21	Martin Luther King Jr. Holiday. <b>FSA Offices Closed.</b>
Jan. 31	Deadline on 2007 LDPs for wool, mohair and unshorn lamb pelts.
Feb. 18	George Washington's Birthday, a Federal Holiday. <b>FSA Offices Closed.</b>
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 LDPs.

inquire about a particular electronic deposit, program payment, debt or 1099G should go to [www.fsa.usda.gov](http://www.fsa.usda.gov) and select Online Services, then Financial Inquiries for FSA Producers.

### ***Dairy Disaster Assistance Program Sign-up Continues***

Eligible dairy producers can still sign-up for the Dairy Disaster Assistance Program (DDAP-III) at your local FSA Service Center. DDAP-III will compensate producers for production losses that resulted from cattle and yield losses and produced milk that had to be dumped because of lack of electricity, closed milk plants and damaged containment equipment.

A producer's operation must be in a county designated a major disaster or emergency area by the President or declared a natural disaster area by the Secretary of Agriculture **between Jan. 1, 2005, and Feb. 28, 2007**. Counties contiguous to such counties will also be eligible. Producers in counties declared disasters by the President may be eligible, even though agricultural loss was not covered by the declaration, if there has been a FSA Administrator's Physical Loss Notice covering such losses.

### ***Eligibility Requirements***

Under proposed DDAP-III regulations, the following are some of the eligibility requirements producers must meet to receive benefits:

- Producers must have produced and marketed milk any time between Jan. 1, 2005, and Feb. 28, 2007;
- Producers must have suffered dairy production losses attributed to the declared natural disaster during the eligible period in an approved area; and
- Producers must provide proof of monthly milk production commercially marketed by all persons in the eligible dairy operation during the applicable milk marketing calendar year and claim period (Jan. 2, 2005 - Feb. 27, 2007).

To find out more information about the DDAP- III visit our website at: <http://disaster.fsa.usda.gov> or to apply for the program, contact your local FSA Service Center.

### ***USDA Reopens Comment Period on Lease Agreement Rule***

In response to public requests, the U.S. Department of Agriculture has reopened the comment period on its proposal to standardize leases with variable or flexible provisions. The original comment period ended Nov. 27, 2007. USDA will now consider comments received through **Thursday, Jan. 17, 2008**.

Market trends and an increased use of flexible or variable cash leases make it necessary for USDA to review the current program rules. At issue

<b>Selected Interest Rates for December 2007</b>	
90-Day Treasury Bill	3.625%
Farm Operating Loans - Direct	4.375%
Farm Ownership Loans - Direct	5.125%
Limited Resource Loans	5.00%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	4.000%
Emergency Loans	3.75%
Farm Storage Facility Loans	3.625%
Commodity Loans 1996-Present	4.250%

is whether regulations governing whether a lease is considered "cash-rent" or "share-rent" for a USDA program purpose need to be revised or defined more specifically. This affects leases that have provisions under USDA's Farm Service Agency (FSA) and Risk Management Agency (RMA).

Current program rules do not prevent tenants and landowners from taking advantage of various types of leases to adjust to changing market conditions. However, the agreement between them, which has sometimes been an oral agreement rather than a written lease agreement, determines whether they have created a "cash-rent" or "share-rent" agreement for USDA program purposes.

But before taking any action, FSA and RMA will review the comments on the current rules governing "cash-rent" and "share-rent" provisions, especially examining variable and flexible leases.

The public may submit comments by:

- E-Mail: [Salomon.Ramirez@wdc.usda.gov](mailto:Salomon.Ramirez@wdc.usda.gov);
- Mail or hand delivery to: Director, Production, Emergencies, & Compliance Division, FSA, USDA, STOP 0517, 1400 Independence Avenue, SW, Washington, D.C. 20250-0517;
- Fax: (202) 690-2130; or
- Federal eRulemaking Portal: Go to <http://www.regulations.gov>. Follow the online instructions for submitting comments.

The regulation announcing the reopening of the comment period was published in the Dec. 18, 2007, Federal Register.

### **County Committee Minority Advisors**

FSA County Committee (COC) Advisors are a valued voice for under represented groups and socially disadvantaged farmers and ranchers. County committee members and their county executive directors, actively reach out to producer groups who are under-represented on county committees.

Eligibility requirements for COC advisor nominee include:

- be actively participating in farming or ranching in the county or area;
- be willing and able to serve as an advisor, if appointed; and
- indicate in writing their willingness and ability to serve.

Duties and Responsibilities of COC Advisors include:

- attending each COC meeting, including executive sessions;
- participating in all deliberations;
- increasing awareness of and participation in FSA activities, including elections, by eligible voters to ensure that socially disadvantaged group problems and viewpoints are understood and considered in FSA actions;
- helping to develop interest and incentives in socially disadvantaged group members for considering FSA work as a career;
- actively soliciting candidates from socially disadvantaged groups for nomination during the election process; and

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- able to perform special duties at COC s request.
  - Note: Advisors do not have authority to sign documents.

Interested individuals should contact their local FSA County Office. Advisors serve for a 12-month period not to exceed 9 consecutive years.

### ***Spousal Signatures***

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation (CCC) programs in which either has an interest. In most cases, this option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

### ***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.

### ***Faxed Signatures***

Certain faxed signatures shall be accepted for all applicable program forms or other documents approved for faxed signatures, if all other signature requirements are met.

### ***Controlled Substance***

Any person who is convicted under federal law of planting, producing, cultivating, harvesting, growing, or storing a controlled substance will be ineligible to participate and receive payments under USDA programs. Marijuana, opium poppies, and other drug producing plants are controlled substances.

### ***Foreign Buyers Notification***

The Agricultural Foreign Investment Disclosure Act requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate

transactions are reminded to notify foreign investors of these reporting requirements.

### ***Loans for Socially Disadvantaged***

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has targeted funding for members of Socially Disadvantaged Applicants. A socially disadvantaged applicant 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.

For detailed information on loan eligibility or the different loan programs available, contact your local FSA office to setup an appointment with a Loan Approval Official. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

### ***Applications for FSA Loans***

Farmers and ranchers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order. Contact your local FSA Loan Approval Official for more details and assistance in applying.

### ***Farm Storage Facility Loans***

Low interest rate loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, 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 & bunker 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

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percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. For details, contact the county office staff.

### ***Special Accommodations***

Special accommodations will be made upon request for individuals with disabilities, vision or hearing impairment. If accommodations are required, individuals should contact the County Executive Director of their local Farm Service Agency office.