



LINCOLN COUNTY FSA

AUGUST 2008 NEWSLETTER

Lincoln County
USDA Service Center

Lincoln County FSA
112 Frenchman Bluff Rd
Troy, MO 63379
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(phone)
636-528-9582 (fax)
www.fsa.usda.gov/mo

Hours

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

County Committee

Eugene Peasel
Mike Bockhorst
William Kaiman
Linda Witt

County Committee
meets

Second Wednesday
of the Month @ 9:00
a.m.

Staff

Joe Linneman, CED
Christy Braden
Angela Luaders
Kristin Twellman

Emergency Conservation Program (ECP)

Due to flooding and heavy rains that occurred during June and July of 2008, the following practices will be available under ECP for Lincoln County.

EC1 — Removing debris from farmland

EC2 — Grading, shaping, re-leveling or similar measures

EC4 — Restoring conservation structures and other measures

Land eligibility will be determined based on on-site inspections of damage, taking into account the type and extent of damage. For land to be eligible, the disaster must have created new conservation problems that, if untreated, would impair or endanger the land and materially affect its productive capacity. Under the program, cost-share monies would be available for the practices mentioned above.

To qualify for cost-share assistance producers must have suffered at least \$1,000 of eligible cost share expenses. Levees or the land between the levee and the river are not eligible for cost-share under ECP. Sand deposits must be at least 6" in depth to qualify. Land on which cost-share assistance is received must maintain its agricultural use for a minimum of 10 years following the year the practice is completed.

Sign-up for ECP will be **August 18th—October 17th**. Producers should apply for assistance at their local FSA office before beginning the repairs or removing debris from their acreages.

Supplemental Agricultural Disaster Assistance Programs

The Food, Conservation, and Energy Act of 2008 (aka The 2008 Farm Bill) was enacted into law May 22, 2008. The 2008 Act amended the Trade Act of 1974 to create an agricultural disaster relief trust fund to finance supplemental agricultural disaster assistance programs for the life of the new Farm Bill in lieu of the *ad hoc* disaster programs of past years.

DATES TO REMEMBER

September 1st

Office Closed
Labor Day Holiday

The major portion of this fund will finance Supplemental Revenue Assistance (SURE) payments, which are designed to supplement the protection that producers can purchase from private crop insurance companies. Other disaster programs included are a Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), Tree Assistance Program (TAP) and an Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (EALHF).

September 16

Final date to pay
buy-in fees for
2008 SURE

In order to be eligible for future payments under these programs, producers must purchase insurance for all crops (commodity crops, forage—hay/pasture, fruits/vegetables) produced each year in their farming operation. Producers who have land in a county that has been declared a Secretarial disaster county or is contiguous to a disaster county may be eligible. Otherwise, a farm operation must have a 50 percent loss in crop income due to weather related conditions to be eligible.

September 30

DCP enrollment
ends for 2008

What is the SURE Program?

SURE is a revenue guarantee program, very similar to crop revenue insurance without the increasing price guarantee feature. If a farm's actual crop revenue is less than the guarantee, the SURE payment makes up 60 percent of the difference. The actual crop revenue includes not only the estimated value of the crop produced, but also any other USDA payments and crop insurance indemnity payments received. As a result, producers will no longer be double indemnified for the same losses. All guarantees and actual revenues under SURE are calculated as the sum for all crops and all insurance units for an FSA farm unit, even if land in more than one county or state is involved. Payments are not made on losses for individual crops or insurance units as under past programs.

December 1

Application dead-
line for 2009 NAP
coverage for Fall
Crops.

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Pay Buy-in Fees by September 16th for 2008 SURE

To be eligible for SURE payments, a producer must insure ALL of his/her eligible crops with a minimum Catastrophic level of insurance coverage and purchase Non-insurable Assistance Program (NAP) coverage for crops not covered by private insurance (DC soybeans, hay, pasture, rye, forage sorghum, vegetables, etc).

For 2008, producers who do not meet this requirement may have this provision waived if they pay “buy-in” fees per crop by Sept. 16th. The fee is \$100 per crop not to exceed \$300 per producer per county or \$900 total for each crop category

Sure Example	Corn	Soybeans	Total
Planted acres	500 ac	500 ac	1,000
APH crop insurance yield	160 bu	48 bu	
Crop Insurance indemnity price	\$5.40	\$13.36	
Crop Insurance price guarantee level	75%	75%	
Crop Insurance revenue guarantee (acres x yield x price x % guarantee)	\$324,000	\$240,480	\$564,480
Harvested acres	500 ac	500 ac	
Harvested yield/ac	100 bu	30 bu	
Actual bushels harvested	50,000 bu	15,000 bu	
Harvest time insurance price	\$6.00	\$14.00	
Actual revenue for crop insurance (bu x price)	\$300,000	\$210,000	-\$510,000
Crop insurance indemnity payment (insurance guarantee less actual revenue)			= \$ 54,480
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SURE guarantee (115% of insurance guarantee)**			\$649,152
Marketing year average cash price (Sept thru August)	\$6.50	\$15.00	
Actual Revenue for SURE (bu. X market year price)	\$325,000	\$225,000	\$550,000
Crop insurance indemnity payment			\$54,480
15% of USDA direct payment (\$20,000)			\$3,000
Total crop revenue for SURE			<u>-\$607,480</u>
Revenue Shortfall for SURE (SURE guarantee less actual)			= \$ 41,672
SURE payment (60% of shortfall)			\$25,003

- * Assumes basic revenue insurance. For CRC or RA-HPO, the final guarantee could be higher since the harvest price exceeded the initial indemnity price.

Visit Iowa State University's Farm Economics Current Issues website and click on the Ag Decision Maker Link for an interactive tool to assess your own farm situation.

<http://www.extension.iastate.edu/feci>

Changing Accounts, Banks?

FSA program payments will be issued in the coming months for CRP and the annual DCP program. Almost all Farm Service Agency payments are made electronically these days, using Direct Deposit. The switch has cut down on the number of missing and late payments and reduced the time required to move funds. Did you know the chances of having a problem with a payment are 20 times greater with checks than with Direct Deposit? Or, that Direct Deposit can be made within 48 hours?

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you've made any changes in accounts or institutions that might affect the direct deposit of your FSA payments, contact us so we can update our files.

A Change to CRP Permitted Use for Livestock Feed Needs

On July 24, 2008, the Federal court issued a Permanent Injunction which permitted certain critical feed use to continue regarding, in effect 3 categories of producers:

Category A includes producers who were approved before the July 8, 2008

Category B includes producers who applied for CFU before the July 8, 2008

Category C includes producers who applied on or after July 8, 2008.

CRP participants who were approved before the July 8, 2008, 5 p.m. pt, Temporary Restraining Order (Category A) for the CFU may immediately proceed with the approved activity provided the haying or grazing must end by November 10, 2008. No rental reduction will apply; however, the acres hayed or grazed will apply towards future managed haying or grazing frequencies.

CRP participants who applied (but were not approved before the July 8, 2008, 5 p.m. pt, Temporary Restraining Order) (Category B) may, if otherwise eligible, have their applications processed and approved by the County Office. However, for these cases, haying must end by September 30, 2008, and grazing must end by October 15, 2008. No rental reduction will apply; however, the acres hayed or grazed will apply towards future managed haying or grazing frequencies.

Producers in (Category C) will not be authorized to hay CRP unless documentary proof of investment of \$4,500 or greater toward haying or grazing equipment or preparation be provided between the dates of May 27, 2008 and June 8, 2008. Documentary proof includes invoices, contracts, cancelled checks and other forms of legal obligation that are dated between May 27, 2008 and June 8, 2008.

2008 Notice of Crop Loss

Excessive rainfall and flooding in 2008 has created an unusual cropping season. If you were unable to plant, or experienced significant damage to a planted crop, it is recommended you file a "Notice of Loss" (CCC-576) with your local FSA Office. *Why should a Notice of Loss be filed?* The purpose of the CCC-576 is to establish a historical record of the initial intended use of the acreage, the reason the crop was not planted or failed, and what the final disposition of the acreage was. This historical record may be important in order to qualify for future programs.

NAP Coverage Closing Date Extended

Since the Food, Conservation and Energy Act of 2008 was announced so late about the 2009 risk management purchase requirement for the Supplemental Disaster Programs. The National Farm Service Agency office (FSA) has extended the Non-Insured Crop Disaster Assistance Program (NAP) activity for 2009. **As a result, the State Committee established NAP application closing dates that fall before December 1, 2008 have been extended to December 1, 2008, for the 2009 application crop year.**

Please note that extending the 2009 NAP application deadlines to December 1, 2008, does not modify the definition of coverage period. NAP coverage will not begin until the later of the following dates:

30 calendar days after the date CCC-471 is filed; and

The date the crop is planted not to exceed the final planting date.

NAP was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

The application deadline date for the 2009 NAP coverage for winter wheat, rye, barley, speltz, apples, cherries, grapes, nectarines, peaches, pears, plums, honey, aquaculture (finfish), Christmas trees, floriculture, ginseng, mushrooms, ornamental nursery, turf grass sod and watercress in **Missouri, is December 1, 2008.** For 2009-2012, the NAP Service Fees have increased from: \$100 to \$250 per crop; \$300 to \$750 per county; \$900 to \$1,875 per producer for all counties.

Producers who already have coverage on 2008 NAP crops may choose to continue coverage on the same crop or crops for 2009, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. For more information on NAP coverage, please contact your local Farm Service Agency office.

County Committee Elections

Nominations are in and now it's time to vote!

County committee elections give farmers and producers an important opportunity to ensure that their FSA county committees represent them. Farmers and producers who serve on county committees help make decisions necessary to administer federal farm programs offered in their communities.

County committees make decisions on agricultural issues such as; commodity price support loans and payments, conservation programs, disaster payments and employing County Executive Directors.

Agricultural producers of legal voting age can vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations on an entire farm can also vote. No one can be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

If you participate or cooperate in programs administered by FSA and live in the local administrative area conducting an election, you may vote in this important election.

Ballots will be mailed to eligible voters by November 3. The last day to return voted ballots to the county office is December 1. Newly elected county committee members take office January 1, 2009. See the table above for a listing of nominees and participating townships in this year's election.

Lincoln County Rainfall

Month	30 Year Average	2007	2008
January	1.96	3.17	1.53
February	1.96	1.90	3.43
March	3.47	3.09	6.84
April	3.73	2.54	3.92
May	4.24	2.27	8.16
June	3.68	3.37	3.15
July	3.65	1.00	8.67
August	3.23	2.63	
September	3.28	1.76	
October	2.79	2.05	
November	3.57	1.30	
December	2.95	2.87	
Total	38.51	27.95	35.7



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