



# District 3 News

July 2008

Audrain, Clark, Knox, Lewis, Lincoln, Macon, Marion, Monroe, Pike, Ralls, Shelby

## News at a glance...

\*Crop reporting deadline is Aug. 15

\*Sign-up now for 2008 DCP – deadline Sept. 30

\*CRP Release for emergency grazing (25% reduction) in designated counties: Audrain, Clark, Knox, Lewis, Lincoln, Marion, Monroe, Pike, Ralls Shelby

\*CRP 2008 Critical Feed Use (\$75.00) release on hold...

\*Nominations for county committee being accepted

\*Supplemental Revenue program (SURE) available for 2008...

## 2008 DCP Program Sign-up

Producers have until September 30, 2008 to sign-up for the 2008 Direct and Counter-cyclical Payment Program (DCP). Producers can fill out their 2008 DCP contract at any USDA Farm Service Agency County Office. Sign-up can also be completed online by going to <http://www.fsa.usda.gov/FSA/edcp> and clicking on "Access eDCP Service." You can choose payment options, assign crop shares and sign and submit contracts from any computer with Internet access. You can also view and print submitted contract options.

FSA computes DCP payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2008, eligible producers may request to receive an advance payment of 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments as soon as practical after enrollment. Final direct payments will be issued after Oct. 1, 2008. Counter-cyclical payments vary depending on market prices, and are issued only when the effective price for a commodity is below its target price (which takes into account the direct payment rate, market price and loan rate).

## New Crop Certification Deadline

For 2008, the final crop reporting dates will be **extended to August 15, 2008**. Late fees will not be applied if acreage reports are filed by August 15 and all other reporting requirements are met.

Filing an accurate and timely report for all crops and land uses, including prevented planted and failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Loan Deficiency Payments.

Report of acreage must account for all cropland on a farm, whether idle or planted.

## CRP & NAP Certification

Conservation Reserve Program acreage must be reported to receive annual rental payments. And, crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported.

## FSA COC Nomination Deadline

County committees play a crucial role in helping county office staff implement the 2008 Farm Bill. Due to the importance of county committee members and their roles, producers are encouraged to participate in the 2008 FSA county committee election process by nominating an eligible candidate by the August 1 deadline.

To become a nominee, eligible individuals must sign form FSA-669A. The Nomination Form for County FSA Committee Election (FSA-669A) is available at your local FSA office. You may also go online and download the form from our Missouri FSA website at: <http://www.fsa.usda.gov/FSA/mo>. The document is located under the "I Want To" section on the right side of the screen.

Nomination forms for the 2008 election must be postmarked or received in the local USDA Service Center by close of business on August 1, 2008.

FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support loan programs and other important agricultural issues. Members serve three-year terms. Committees consist of three to five members who are elected by eligible local producers.

FSA will mail ballots to producers beginning Nov. 3. The voted ballots are due back at the local county office either via mail or in person by December 1, 2008. Newly elected committee members and alternates take office January 1, 2009.

For more information regarding the County Committee elections, talk to your local County FSA office for details on the types of decisions county committee members make. Or visit the County Committee Elections website to learn more about the County Committee Election process and read over the fact sheets at: <http://www.fsa.usda.gov/FSA/webapp?area=newsroom&subject=landing&topic=cce>.





## Maintaining Stored Grain Quality

Since the summer is here, producers are reminded to keep an eye on the condition and quality of the stored grain. Remember to contact your local FSA office if you notice changes in the condition and quality of the stored grain.

## FSA Farm Loans

The Food, Conservation, and Energy Act of 2008 modified the Farm Service Agency's (FSA) Farm Loan programs. For Direct Farm Operating and Farm Ownership loans, the maximum loan amount has been increased to \$300,000.

The FSA Farm Ownership Down Payment Loan program allows eligible family farmers to purchase farms with a 5% down payment, while financing up to 45% of the purchase price with a low interest direct loan from FSA. The remainder of the purchase price would be financed by another lender, who could qualify for a loan guarantee from FSA. Socially Disadvantaged Applicants (SDA) are one of a group whose members have been subjected to racial, ethnic or gender prejudice because of their identity as a member of the group without regard to their individual qualities. SDA groups include; Women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

The Farm Ownership Down Payment Loan program was modified in several ways:

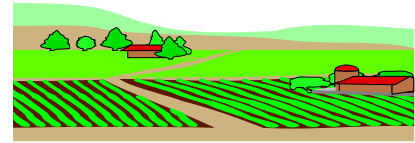
- Expanded to include Socially Disadvantaged Applicants;
- Interest rate reduced to the Direct Farm Ownership rate less 4% or 1.5% whichever is greater;
- Maximum loan amount changed from \$100,000 to an amount not exceeding 45% of the least of:
  - (a). the purchase price of the farm; (b). the appraised value of the farm; or (c). \$500,000.**Note:** This would result in a maximum FSA loan amount of \$225,000 and no limitation on the purchase price of the farm.
- Loan term is extended from 15 years to 20 years; and
- Required down payment is reduced from 10% to 5%.

To find out more about the FSA Farm Ownership Down Payment Loan program, contact your local FSA county office to setup an appointment with a loan approval official.



## 2008 Crop Year Loans and LDP's

The Food, Conservation, and Energy Act of 2008 authorizes marketing assistance loans (MAL's) and Loan Deficiency Payments (LDP's) for crop years 2008 through 2012. General provisions in effect for the 2007 crop year will remain in effect for the 2008 crop year.



## Farm Reconstitutions

In Farm Service Agency terms, 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. To be effective for the current year, recons must be requested by **August 1** for farms enrolled in the Direct and Counter-cyclical Payment Program. The 2008 Act provides that a producer on a farm may not receive direct payments, counter-cyclical payments, or average crop revenue election payments if the sum of the base acres of the farm is 10.0 acres or less, except if the farm is wholly owned by either of the following:

- A socially disadvantaged farmer or rancher;
- A limited resource farmer or rancher.

## Quality Loss Crop Disaster Sign-up

Sign-up for quality losses under the Crop Disaster Program (CDP) **began on June 23, 2008**. For **Quality losses**, producers **must have applied** for quantity loss to be eligible to apply for a quality loss. However, producers do not need to qualify for a quantity loss. Producers must have suffered quality losses of at least 25 percent to be eligible for CDP quality loss. In addition, the requirement for Crop Insurance or NAP coverage still applies.

Quality loss participants **will be required** to provide actual production evidence. The actual production evidence will need to show the total quantity, price and quality factors to receive a payment. This includes evidence showing quality grading factors of the affected production, such as university or other commercial lab test results. For instance, documentation showing only that a crop graded as "feed" **will not** be considered verifiable evidence to substantiate the quality of the crop.

The CDP provides benefits to farmers who suffered losses to their 2005-2007 crops from natural disasters. Producers who incurred qualifying quantity or quality losses in 2005, 2006 or 2007 may receive benefits for only one of these years. However, producers may apply for benefits for losses to multiple crops as long as the losses occurred in the same crop year.

For more information or to apply for crop quality losses, producers can visit their local Farm Service Agency (FSA) office.

## Removing CCC Loan Collateral

Producers are reminded, if you have grain under Commodity Credit Corporation loan it cannot be removed or disposed of without prior county office staff authorization or repayment. The county office staff may issue release authorizations based on a telephone or in person request when you are ready to move the grain. A loan violation is subject to monetary and administrative penalties, such as repaying the loan at principal plus interest, liquidated damages, calling the loan and denial of future farm-stored loans and loan deficiency payments.

All commodity loans are subject to spot check. Locking in a market loan repayment rate is not a marketing authorization. If you are planning to move CCC loan grain, call the county office staff, before you HAUL!

## 2008 Crop Year Buy-in for Disaster Assistance Programs

On June 18, 2008, the 2008 Farm Bill was enacted into Public Law 110-246 and amended the Trade Act of 1974 to create five new disaster programs, collectively referred to as Supplemental Agriculture Disaster Assistance programs. Those programs include:

1. Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)
2. Livestock Forage Disaster Program (LFP)
3. Livestock Indemnity Program\* (LIP)
4. Supplemental Revenue Assistance Payments (SURE) Program
5. Tree Assistance Program (TAP)

To be eligible for these programs, producers must purchase at least catastrophic risk protection (CAT) level of crop insurance for all insurable crops and/or Noninsured Crop Disaster Assistance Program (NAP) coverage for non-insurable crops and be in a county that has had a Secretarial Disaster declaration or if not, have losses of revenue of more than 50%.

For the 2008 crop year, the deadline to apply for crop insurance and NAP passed prior to enactment of the 2008 Farm Bill. As a result, when the requirement to obtain insurance or NAP as a condition of eligibility for SURE, TAP, ELAP and LFP was enacted, many producers would have been excluded from eligibility. Therefore, for the 2008 crop year only, producers who do not have all crops on the farm covered with the risk management protection programs of crop insurance and/or NAP and wish to be eligible for the SURE, TAP, and ELAP in 2008, or wish to have grazing acres eligible for LFP in 2008, can do so by paying the applicable buy-in fee by Sept. 16, 2008.

The fees are \$100 per crop, but not more than \$300 per producer per county, or \$900 total per producer, for all counties, less any previously paid fees for CAT and/or NAP. These fees and limits apply separately to both CAT and NAP covered crops. Therefore, producers may be required to pay buy-in fees under both CAT and NAP to meet whole farm eligibility requirements for the new disaster programs of SURE, ELAP and TAP. **Payment of the fees will NOT provide crop insurance coverage or NAP eligibility.**

**All producers who wish to become eligible in 2008 for the Supplemental Agriculture Disaster Assistance programs must visit their administrative county FSA office and fill out form CCC-752 and/or form CCC-753. The county offices will determine the appropriate buy-in fee required. The deadline for the buy-in is Sept. 16, 2008.**

Producers should be aware that the SURE disaster program is revenue based protection and will not pay on individual crop losses. The program will be based on actual total revenue compared to the expected revenue for their farming operation (“farm” means the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer) based on average market prices after harvest which won’t be available until next year.

### *District 3 Service Centers*

*District Director  
Tom Balsler*

*Audrain County  
Mexico, MO  
Phone 573-581-1406  
Fax 573-581-7283*

*Clark County  
Kahoka, MO  
Phone 660-727-3364  
Fax 660-727-3089*

*Knox County  
Edina, MO  
Phone 660-397-2559  
Fax 660-397-3289*

*Lewis County  
Monticello, MO  
Phone 573-765274  
Fax 573-767-5495*

*Lincoln County  
Troy, MO  
Phone 636-528-4113  
Fax 636-528-9582*

*Macon County  
Macon, MO  
Phone 660-385-2616  
Fax 660-385-4923*

*Marion County  
Palmyra, MO  
Phone 573-769-2235  
Fax 573-769-4460*

*Monroe County  
Paris, MO  
Phone 660-327-4137  
Fax 660-327-4507*

*Pike County  
Bowling Green, MO  
Phone 573-324-3313  
Fax 573-324-2475*

*Ralls County  
New London, MO  
Phone 573-985-8611  
Fax 573-985-3928*

*Shelby County  
Shelbyville, MO  
Phone 573-633-2440  
Fax 573-633-1406*

Official Business

**REMINDER TO 'MAINTAIN' IDLE ACRES FOR 2008**

Idle acres (including those prevented from being planted or failed) that are receiving payments in the DCP program must be maintained. Weeds must be controlled and erosive acres adequately protected with appropriate cover.

**CRP Release for Emergency Grazing**

Audrain, Clark, Knox, Lewis, Lincoln, Marion, Monroe, Pike, Ralls and Shelby counties have been approved for emergency release for grazing on CRP acreage with a 25% reduction in CRP annual payment on the acres actually grazed. Even though managed haying/grazing provisions were utilized last year on a particular acreage, that acreage may be eligible for emergency grazing under this release. Producers are reminded to visit the county office and sign the applicable forms to release acreage for this emergency grazing. Note: Acreage released for emergency grazing will be ineligible to be used next year under the optional managed haying/grazing (1 out of 3 years) provisions.

**2008 CRP Critical Feed Use Release Update**

*The temporary restraining order which a federal judge issued on July 8<sup>th</sup>, is still in effect. Until we receive any further notice in regard to the critical feed use release for the \$75 per CRP contract administrative fee, producers are not authorized to hay or graze CRP under those provisions. A hearing is scheduled for July 24<sup>th</sup>, so we are hoping to have updated information soon.*

*\*Note: Managed haying/grazing opportunities are available on CRP contracts for the 25% payment reduction, please contact the county of office for procedure and required forms and guidelines.*

**Dates to Remember**

Aug. 1	<b>Last day</b> to file County Committee Nomination forms.
Aug. 1	<b>Final date</b> to request farm reconstitution for current fiscal year.
Aug. 15	<b>Final certification date</b> for all crops. Late fees will be assessed after Aug. 15.
Sept. 1	Labor Day Holiday. <b>FSA Offices Closed.</b>
Sept. 16	<b>Final date</b> for the SURE, EALHF, LFP or TAP programs.
Sept. 30	Continue all CRP operations.
Sept. 30	<b>Deadline</b> to sign-up ends for 2008 Direct and Counter-cyclical Payment Program.
Continues	Farm Storage Facility Loan program.
Continues	Continuous Conservation Reserve Program through September 30 <sup>th</sup> , under previous authorities.



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