



Linn County News

July/August 2008

LINN County
USDA Service Center

LINN County FSA
121 Pershing Rd
Brookfield, Mo. 64628
660-258-7265 (phone)
660-258-3257 (fax)
www.fsa.usda.gov/MO

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

County Committee
Vicky Ervie
Jim Pfeiff
Lee Jaynes

County Committee
meets July 18, 8:15 am

Staff
Susam McLain
Roberta Kehr
Caroline Frizzell
Colin Smith
Greg Smith



Haying, Grazing CRP Acres

A lawsuit has been filed in Federal Court causing a temporary restraining order to be issued. This stops the authority to hay or graze under the \$75.00 release of CRP. So do not hay or graze anything released under that release.

Producers may still come into this office and release to hay or graze CRP practices CP-1, CP-2, CP-10 for a 25% reduction in their payment rate per acre hayed under the normal CRP release rules.

NEW FARM BILL ISSUES Read this please

The Food, Conservation, and Energy Act of 2008 authorizes an approved Disaster Program. As a condition to be eligible for any part of this disaster program, a producer must have every insurable crop F.C.I.C. insured. In addition, every non insurable crop must be covered by a N.A.P. policy. This includes the 2008 disaster year. That means to be eligible for any disaster payment for any crop, you must purchase a F.C.I.C. policy for any crop that you had in 2008 that was not insured by F.C.I.C. In addition you must purchase a N.A.P. policy for any non insurable crop that you have i.e. Double cropped soybeans, hay, pasture, alfalfa etc. Both types of policies may be purchased (for 2008) at this office. Since it is after the sales closing date these policies will offer no insurance benefits, this does allow you to "buy in" for the disaster program for 2008. The cost is \$100.00 per crop for the F.C.I.C. policy with a \$300.00 maximum per producer per county, and \$100.00 per N.A.P. crop policy with another \$300.00 per producer per county maximum. You must purchase and pay for these before Sept. 16, 2008.

To be eligible for the 2009 year you must purchase the above before the ending sales date for each crop. For 2009 the cost for N.A.P. is \$250.00 per crop with a \$750.00 per producer per county maximum for each. Check with your F.C.I.C. agent soon because the ending sales dates for some 2009 crops will be in September 2008.

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 the Linn County 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 the Linn County Committee, Greg Smith, County Executive Director at 660-258-7265 or stop in the office located at 121 Pershing Road, Brookfield, Mo., 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>.

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 provision in effect for the 2007 crop year will remain in effect for the 2008 crop year.

2008 DCP Program Sign-up Is Underway

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).

For all eligibility requirements or addition information, contact your local office.

Selected Interest Rates for July 2008

90-Day Treasury Bill	1.625%
Farm Operating Loans -- Direct	3.625%
Farm Ownership Loans -- Direct	5.000%
Farm Ownership Loans -- Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loans	3.625%
Sugar Storage Facility Loans	4.625%
Commodity Loans 1996-Present	3.375%

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.

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.

CRP Payment Rates to be Updated

The Farm Service Agency (FSA) county offices are currently reviewing soil rental rates and local farmland cash rental rates to determine the maximum payment rate for CRP annual payments. This is to guarantee the CRP rental rates are set at market levels to ensure program operations do not distort local rental markets, program costs are minimized, and program benefits are achieved.

As a result a large majority of State Rental Rates may be adjusted as a result of this review process. Producers should consider these soil rental rate changes before agreeing to terms of new contracts. Soil rental rates are expected to be updated sometime in August or September.

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 and related conditions. 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.

Emergency Conservation Program for Flood Victims

USDA's Farm Service Agency (FSA) provides emergency funding for farmers to rehabilitate farmland damaged by natural disasters such as flooding. Emergency Conservation Program (ECP) cost share practices include: removing debris from farmland; grading shaping, re-leveling farmland; restoring permanent fences; and restoring conservation structures and other installations.

Based on a site visit, FSA county committee will determine eligibility of land for ECP. The flooding must have created new conservation problems that, if untreated, would:

- Impair or endanger the land;
- Materially affect the land's productive capacity;
- Represent unusual damage which is not the type likely to recur frequently in the same area, and;
- Be so costly to repair that federal assistance is or will be required to return the land to productive capacity.

Subject to availability of funds, ECP program participants may receive cost share assistance of up to 75% of the cost to implement approved ECP practices. Technical assistance is also available. Eligible participants are subject to a payment limitation. Funding for ECP is appropriated by Congress. This is not an entitlement program where eligible producers are guaranteed funding.

Interested producers should check with their local county FSA office regarding ECP sign-up periods, which are set by county FSA committees after expressed interest in or need for ECP is determined.

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!

Dates to Remember	
Aug. 1	Last day to file County Committee Nomination forms.
Aug. 1	Final date to request farm reconstitution for current fiscal year.
Aug. 15	Final certification date for all crops. Late fees will be assessed after Aug. 15.
Sept. 1	Labor Day Holiday. FSA Offices Closed.
Sept. 16	Final date for the SURE, EALHF, LFP or TAP programs.
Sept. 30	Continue all CRP operations.
Sept. 30	Deadline 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 th , under previous authorities.

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