



August 2008

Livingston FSA Office News

Livingston County USDA Service Center

Livingston County FSA
1100 Morton Parkway
Chillicothe, MO 64601
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Hours
Monday - Friday
7:45 a.m. - 4:30 p.m.
The office will be closed on all Federal holidays.

County Committee
David Williams
Mary Smith
Ben Beetsma

County Committee meets the third Thursday each month at 8:30 a.m.

Staff
Program Technicians
Dianna Sewell
Anissa Johnson
Jeannette Straker
Diana Briscoe

County Executive Director
David Meneely

Farm Loan Manager
John McKinny

Farm Loan Officer
Gary Elrod

BUY-IN WAIVER FOR SURE

USDA's Farm Service Agency (FSA) will allow producers who would otherwise be ineligible for the new disaster assistance programs to become eligible by paying a fee as required by the Food, Conservation and Energy Act of 2008.

The 2008 Act requires producers who wish to participate in the new disaster programs to have crop insurance or noninsured crop disaster assistance (NAP) coverage for the land for which assistance is being requested, and for all farms in all counties in which they have an interest.

Since the 2008 act was enacted after the application periods had closed for those programs, producers who did not have such coverage could not comply with this requirement in order to be eligible for the new disaster programs.

However, the 2008 act authorizes a waiver that allows producers to pay a fee, called a "buy-in" fee, to be eligible for this new disaster assistance. Every producer whose crops, including grazing lands, are not fully covered by crop insurance or NAP may take advantage of this one-time opportunity.

The buy-in fee is due no later than Sept. 16, 90 days after the date of enactment, as required by the 2008 act. **Those who miss this opportunity will not be eligible for disaster assistance.**

Producers are also reminded that the payment of the applicable buy-in fee does not afford the producer crop insurance or NAP coverage; it only provides eligibility for the 2008 disaster programs.

The crop insurance and NAP coverage requirements will be waived in 2008 for producers who did not obtain crop

insurance or NAP coverage by the applicable sales closing date, if the producer files an application for waiver and pays a buy-in fee in an amount equal to the 2008 applicable NAP coverage or catastrophic risk protection plan fee for the crop or grazing lands.

The buy-in fee for 2008 eligibility only for either the catastrophic risk protection insurance (CAT) or NAP is \$100 per crop, but not more than \$300 per producer per administrative county, or \$900 total per producer for all counties less any previously paid fees for CAT and/or NAP. Producers can contact their local administrative FSA county office to file the application for waiver and pay the applicable fees.

The applicable buy-in form must be completed and applicable fees paid by Sept. 16. Payment of the applicable fees will allow the producer to be eligible for benefits for losses under Supplemental Revenue Assistance Payments (SURE) Program, Livestock Forage Disaster Program (LFP), Tree Assistance Program (TAP), and Emergency Assistance Livestock, Honeybees and Farm-Raised Fish Program (ELAP).

CRP AND CRITICAL FEED USE

A U.S. District judge issued a permanent injunction on July 24, 2008 against the U.S. Department of Agriculture's (USDA) program allowing widespread haying and grazing on Conservation Reserve Program lands. The injunction allows those who have already applied to the program or who have made farming decisions based on it to move forward, but forbids opening additional Conservation Reserve Program lands.

The Honorable John C. Coughenour ruled for the plaintiffs — the National Wildlife





Federation, Indiana Wildlife Federation, South Dakota Wildlife Federation, Washington Wildlife Federation, Nebraska Wildlife Federation, Louisiana Wildlife Federation and Kansas Wildlife Federation – finding that the USDA violated the National Environmental Policy Act by failing to study the environmental impacts of its action before implementing the program. The decision reduces the number of acres open to increased haying grazing from 24 million to less than 2 million.

The Conservation Reserve Program (CRP) is America's largest private lands conservation program, covering nearly 35 million acres of land. Farmers enrolled in the program help provide wildlife habitat, protect wetlands, and keep over 450 million tons of topsoil, pesticides, herbicides and fertilizer out of rivers every year. On May 27, the USDA announced plans to allow landowners holding CRP contracts to modify their contracts, without reimbursing taxpayers, allowing haying or grazing on 24 million acres of habitat this year.

The National Wildlife Federation and six affiliate organizations filed suit against the USDA on June 30, arguing that the agency failed to look at the environmental impacts of the action as required under the National Environmental Policy Act. On July 8, the court issued a temporary restraining to halt the program.

The judge ordered the following as part of the injunction:

- In recognition of the good faith of those who acted in reliance on USDA's authority to issue contract modifications related to the critical feed use program, all those who had applied for contract modifications prior to the judge's issuance of a temporary restraining order on July 8th, (1.78 million acres) may proceed to hay and graze these lands.
- **No additional applications for**

the critical feed use program may be accepted by the Farm Service Agency unless the applicant can make a showing of having invested at least \$4,500 in anticipation of participating in the program. For these additional applicants, all haying shall be completed prior to September 30 and all grazing shall be completed by October 15, 2008.

- Those who participate in the critical feed use program cannot hay or graze lands enrolled in CRP again except pursuant to a managed haying or grazing contract modification that is consistent with previously established standards for CRP haying and grazing.

The injunction will not affect the carefully balanced, "managed haying and grazing" or "emergency haying and grazing" already allowed on CRP lands, which is not opposed by the National Wildlife Federation.

The **National Wildlife Federation (NWF)** is the United States' largest private, nonprofit conservation education and advocacy organization, with over 5 million members and supporters in 48 state-affiliated organizations. The NWF strives to remain "A national network of like-minded state and territorial groups, seeking balanced, common-sense solutions to environmental problems that work for wildlife and people."

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.

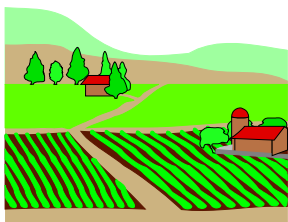
FSA computes DCP payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2008, eligible producers may request to receive an advance payment of 22 percent of the direct payment for 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.

CRP PAYMENT RATES TO BE UPDATED

The Farm Service Agency (FSA) county offices are currently reviewing soil rental rates and local farmland cash rent 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.



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

**New FSA Logos
 Identify Program
 Areas**



- 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 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.

Dates to Remember	
August 15	All Crops Reporting Deadline for 2008
Sept. 1	Labor Day Holiday Offices Closed.
Sept. 16	Deadline for Buy-in Fees in New Disaster Programs
Sept. 30	2008 DCP signup ends
Continues	Crop Disaster signup
Continues	Farm Storage Facility Loans
Continues	Continuous CRP Signup

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, or marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, D.C., 20250-9410, or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.