



Daviess County News

May 2010

Daviess County USDA Service Center

Daviess County FSA
209 Ash Street
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660-663-3697 (fax)
www.fsa.usda.gov/mo

Hours
Monday - Friday
7:45 a.m. - 4:30 p.m.

County Committee
P J Burnett
Sandra Chrisman
Clyde Bozarth

County Committee
meets the 3rd Thursday
of each month at
8:00 AM

Staff

CED
Kirby Payne

Program Technicians
Denise Dixon
Glynis Dotson
Beth Strein

Farm Loan
Charles Meissen, FLM
Teresa Akers, FLO



2010 FSA County Committee Elections

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to all farmers and ranchers with large or small operations. FSA county committees (COC) are a link between the agricultural community and the U.S. Department of Agriculture. Farmers and ranchers who serve on committees help with the decisions necessary to administer the programs in their counties. They work to make FSA agricultural programs serve the need of local producers.

The nomination period for county committee members begins June 15th. Request nomination forms from the local USDA Service Center or obtain one on line at www.fsa.usda.gov. To become a nominee, eligible individuals must sign form FSA-669A agreeing to serve if elected. Nomination forms for the 2010 election must be post marked or received in the local USDA Service Center by close of business on August 2, 2010.

DCP Signup

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) will continue through June 1, 2010. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2010 DCP contract. USDA computes DCP Program 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 2010, eligible producers may request advance direct payments based on 22 percent of the direct payment.

For more information on this or other programs, simply contact the nearest FSA office.

ACRE Program

The Average Crop Revenue Election (ACRE) is a program authorized by the 2008 Farm Bill. Through ACRE, USDA's Farm Service Agency (FSA) offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level

revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments. Producers also elect to receive a 20 percent reduction in direct payments and a 30 percent reduction in loan rates. A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. For more details, contact your local FSA office.

SURE Program

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10 percent of the value of the coverage.

Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement. The following are the conditions that trigger SURE payments:

- At least one crop of economic significance must suffer a 10 percent production loss due to an eligible disaster condition
- Crop of economic significance is a crop that has contributed or would have contributed at least 5 percent or more of the total expected revenue from all crops on the farm
- Producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual

loss of at least 50 percent are eligible to receive SURE payments for crop producer or crop quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for the same loss.

A SURE calculator is available at:

<http://www.fsa.usda.gov/FSA/webapp?area=home&subject=diap&topic=sure>. The calculator is not official, but is intended for educational use. A fact sheet and backgrounder are also available online.

CRP General Sign UP Expected

FSA anticipates a Conservation Reserve Program general sign up in 2010. Producers are reminded that land must be physically capable of being cropped to be offered for the CRP sign up (no trees).

Missouri CRP Management Provisions

CRP contracts with grass cover practices that were enrolled prior to the 26th Sign Up (5/5/03) were allowed to mow up to one half of each field each year between July 16 and August 15. The mowing provisions should be included in the Conservation Plan of Operation (CPO) along with other management guidance. Mowing outside of this period is prohibited without the consent of the local FSA County Committee. Producers should consult their local FSA County office if they have questions about these provisions.

For CRP contract participants whose contracts began with the 26th Sign Up or after, they are subject to the Mid Contract Management (MCM) provisions. These provisions should be included in the CPO and include options for burning, disking or spraying. Mowing is only allowed in conjunction with disking and spraying. Any mowing for generic weed control is strictly prohibited. Producers should contact their local FSA office if they have questions about their MCM requirements.

Below are the Mid Contract Management (MCM) dates.

Cool Season Grass-Burning	March 15-April 30
Cool Season Grass-Spraying	March 15 - April 30 OR October 1 - December 1
Warm Season Grass-Burning	July 16 - March 15
Warm Season Grass-Spraying	July 16 - September 15
Disc- Cool Season or Warm Season	July 16 - March 15

Producers should review their CPO and/or consult with NRCS or the MDC Private Land Specialist to determine the best methods to achieve the desired results. The goals of MCM practices are to achieve stand diversity along with 25-40% bare ground. May 1 through July 15 is considered the primary nesting season, and management activities are prohibited during this timeframe.

FSA Announces New Payment Limits for Disaster Assistance

The 2008 Farm Bill provides disaster assistance programs for crop and livestock losses experienced by producers in 2008 and subsequent years. These disaster programs include: Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish ELAP, Livestock Forage Disaster Program (LFP), Livestock Indemnity Program (LIP), and Supplemental Revenue Assistance Payments Program (SURE). Disaster payments issued under these programs are collectively limited to \$100,000 annually. The Farm Service Agency wants to alert producers about this disaster payment limitation. Additional limitation information about FSA program payment limitations is available at local FSA offices or online at www.fsa.usda.gov.

Adjusted Gross Income

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA. The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits. These forms may be obtained from local FSA and NRCS offices.

Farm Reconstitutions

At FSA, 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. If an owner or operator can not agree about program participation, like in the case of the new ACRE program, then producers should inquire about a reconstitution of the farm at the local FSA office.

The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by August 2, 2010, for farms enrolled in specific programs.

Crop Reporting

The annual, timely and accurate reporting of acres for all crops and land uses, including 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. For SURE, all crops in all counties must be reported. For ACRE, all cropland on the farm must be reported. All grazing land must be reported for LFP, and all crops on all farms must be reported for ELAP, including aquaculture and honeybees.

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.

Crop reports, form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. Producers need to file their acreage reports accordingly: fall- and spring-seeded small grains by June 30, all other crops by July 31, and NAP by the applicable dates or 15 days before harvest.

Prevented Planting:

Prevented planting needs be reported no later than 15 calendar days after the final planting date.

Failed Acreage:

Reports of failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the county committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

Sodbuster Regulations

The term “sodbusting” is used to identify the plowing up of erosion-prone grasslands for use as cropland. Sodbuster violations are unauthorized tillage practices on highly erodible lands that converted native vegetation such as rangeland or woodland, to crop production after Dec. 23, 1985. Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in Farm Service Agency programs. Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an AD-1026, indicating the area to be brought into production. If Natural Resources Conservation Service indicates on a CPA-026 that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage, before bringing land into production. In addition, producers and the producer’s affiliates have to file an AD-1026 in the administrative or control county office before any farm program payments can be made. The AD-1026 is the producer’s signed certification that HELC, as well as wetland conservation, provisions will not be violated.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available. Ask your lender about an FSA loan guarantee if you’ve had a setback and your lender is reluctant to extend or renew your loan. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner. FSA employees will help you complete the necessary application and other forms, and help you understand what information is required, where to find it or who to contact to get it. To find out more about FSA loan programs, contact the county office staff.

**PRESORTED STANDARD
 U.S. POSTAGE PAID
 Columbia, Missouri
 PERMIT #230**

Selected Interest Rates for May 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer, Rancher or Socially Disadvantaged	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr.	3.25%
Farm Storage Facility Loan 10-yr.	3.875%
Farm Storage Facility Loan 12-yr.	4.125%
Commodity Loans 1996-Present	1.50%

Dates to Remember	
May 31	Memorial Day observed – FSA Offices closed
June 1	DCP & ACRE Signup Deadline
June 30	Crop Reporting Deadline for Small Grains
Continues	Continuous Conservation Re- serve Program

Visit our website at: www.fsa.usda.gov/mo

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