



**Douglas/Ozark
County
FSA Office**

Rt. 1 Box 50
Ava, MO 65721

417-683-4212 Phone
1-800-434-0366 Phone
417-683-3054 FAX

Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

February 2011

County Office Staff
Timothy K. Kennemer
County Executive
Director

Amy Peiter
Farm Loan Manager

Debby Tate
Program Technician

Elaine Graham
Program Technician

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

CRP GENERAL SIGNUP BEGINS MARCH 14

The Conservation Reserve Program (CRP) is offering a general signup period from March 14, 2011 through April 15, 2011. This is the second consecutive year that USDA has offered a general CRP signup. Landowners enrolled in the CRP program receive annual rental payments and cost-share assistance to establish long-term, resource conserving covers on eligible farmland. Land that is not currently enrolled in CRP can be offered during sign-up if all eligibility requirements are met. CRP participants with contracts expiring this fall can make new contract offers during the signup period. Contracts awarded during this general signup will become effective October 1, 2011.

<http://www.fsa.usda.gov/crp>.

CONSERVATION LOAN PROGRAM The Farm Service Agency makes and guarantees conservation loans on farms and ranches to help conserve our natural resources. The Conservation Loan (CL) Program provides farmers with the credit necessary to implement conservation measures on their land. The direct CLs loan limit is up to \$300,000 and guaranteed CLs up to \$1,119,000 (amount adjusted for inflation), may be available by applying with lenders working with FSA to obtain a guarantee. Conservation practices must be approved by NRCS before FSA can provide financing. Producers who do not currently have an existing conservation plan should visit NRCS to develop one prior to requesting Conservation Loan Program assistance. Examples of conservation practices include installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; transitioning to organic production; manure management, including manure digestion systems; etc.

SURE SIGNUP Signup for the 2009 Supplemental Revenue Assistance Program (SURE) began Jan. 10, 2011, and ends July 29, 2011. SURE provides benefits for 2008 - 2011 crop year farm revenue losses due to natural disasters. A farm enrolled in SURE may be eligible for benefits when either:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, **except** grazed crops.
- any farm in which, for the crop year, the actual production of the farm because of disaster related conditions is 50% or less than normal production of the farm.

DCP SIGNUP & ADVANCE PAYMENTS Enrollment for the 2011 Direct and Counter-cyclical Program (DCP) has begun and will continue through **June 1, 2011**. Advance payments of 22% on the 2011 DCP program will be available starting December 1, 2010. The remaining 78% of your DCP payment will be issued after October 1, 2011. Eligible producers receive direct payments at rates established by statute regardless of market prices. DCP contract signatures for enrollment are due by the signup deadline of June 1, 2011. For more information, producers can contact their local FSA office.

THE ACRE OPTION The Average Crop Revenue Election Program (ACRE) provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical



payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. An ACRE payment is issued when both the state and the farm have incurred a revenue loss. In exchange for participating in ACRE, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent. The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year. The June 1, 2011 deadline is statutory for all participants.

CCC-927 OR CCC-928 MUST BE SENT TO IRS

Producers who participated in 2009 or 2010 programs subject to adjusted gross income limitations (AGI) had to certify compliance with AGI rules. The average AGI verification process for 2009 and 2010 payment eligibility requires all program participants to provide written consent to IRS for the disclosure of certain information to FSA. On October 6, 2010, a letter was mailed to producers who have not submitted:

CCC-927: "Consent to Disclosure of Tax Information-Individual Form" and CCC-928: "Consent to Disclosure of Tax Information-Legal Entity"

Individuals and legal entities, including members of legal entities, that certified to average AGI compliance for 2009 and/or 2010 payment eligibility must submit a completed CCC-927 or CCC-928 to IRS regardless of whether they received program benefits directly or as a member of a joint operation or entity. These forms must be submitted to IRS in order to avoid a demand for refund of program payments and benefits received.

BCAP The Biomass Crop Assistance Program (BCAP) provides financial assistance to producers or entities that deliver eligible biomass material to approved biomass conversion facilities (BCF) for conversion to heat, power, bio-based products or bio-fuels. Initial assistance is targeted to providing direct payments to eligible material owners to mitigate the collection, harvest, storage and transportation (CHST) costs associated with the delivery of eligible materials. Producers (eligible material

owners) who sell these materials can apply for FSA matching payments under the matching payment provisions of BCAP CHST. An application and supporting eligibility documentation must be submitted before the eligible material is sold and delivered to a BCF to qualify for potential benefits. After the eligible materials are delivered, the eligible producer must provide FSA with documentation from the BCF reflecting the producer, product quantity, payment rate and date of transaction. County offices will validate submitted payment requests and if other eligibility requirements are met continue to complete the process for the producer. BCAP also allows the submission of area wide project proposals for review as a means of obtaining longer term approval as well as additional benefits through authorized cost share for establishment costs and an annual contract payment to support the development of the eligible biomass production in the area. Interested producers are encouraged to review the information available on the FSA website. www.fsa.usda.gov/bcap and contact their local office for additional assistance.

SORGHUM CHECKOFF REFERENDUM SCHEDULED

USDA will conduct a referendum on the Sorghum Checkoff Program Feb. 1-28, 2011, at local Farm Service Agency (FSA) offices. Ballots may be obtained in person, by mail or facsimile at county FSA offices, or via the Internet at www.ams.usda.gov/sorghumpage.

Any eligible person engaged in the production or importation of sorghum from July 1, 2008, to December 31, 2010, is eligible to participate. Individuals must prove they sold grain sorghum during the eligible period. Individuals are required to provide documentation such as a sales receipt or remittance form that shows they engaged in the production or importation of sorghum. Sorghum Checkoff is a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the market place, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

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 \$1,119,000. Producers are encouraged to apply early so that a loan can be processed and funded in a timely manner. To find out more about FSA loan programs, contact the county office staff.

Noninsured Crop Disaster Assistance Program (NAP) Deadline March 15th

The Noninsured Crop Disaster Assistance Program (NAP) is a federally-funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date. **NAP coverage is a requirement for many disaster programs.**

Production records for all crops must be reported to FSA no later than the application closing date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. *NAP losses must be reported within 15 days of loss.*

FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a minimum down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. If a participant provides 20% or greater down payment, then the requirement for a severance agreement for loans under \$50,000 will be waived. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount not to exceed \$250,000. Applications for FSFL must be

submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin. The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities.

Livestock Indemnity Program

LIP is an ongoing program to compensate producers for Livestock death losses in excess of normal mortality due to adverse weather. There are no Disaster designations & no insurance requirements to be eligible for LIP – payments will be based on a producer's eligible loss due to **adverse weather** conditions which include lightning, ice storms, flooding, wildfire, blizzard, tornado, extreme heat or cold etc documented by the FSA county committee. Producers will need to file a notice of loss within **30 days** of when a loss is apparent. Payment rates per head will be 75% of the market value of livestock, by kind, type & weight range, to be determined by CCC.

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

**Selected Interest Rates for
 February 2011**

Commodity Loans – 1996-Present	1.250%
Farm Operating Loans — Direct	2.25%
Farm Ownership Loans — Direct	4.75%
Limited Resource Loans	5.00%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr.	2.750%
Farm Storage Facility Loan 10-yr	3.375%
Farm Storage Facility Loan 12-yr	3.625%

Dates to Remember

February 21	Washington’s Birthday observed – FSA offices closed
March 15	NAP application sales closing date for many crops
March 31	Final availability for 2010 crop year MAL & LDP for small grains and honey
Continues	Continuous Conservation Reserve program

“The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual’s income is derived from any public assistance program. (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 to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.”