



LINN County News

June/July 2010

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
James Pfeiff
Lee Jaynes

County Committee
meets July 16, 2010

Staff
Caroline Fay
Susan McLain
Robertakehr
Matt Lambert
Greg Smith



Transition Incentives Program

The Transition Incentives Program (TIP) was created to encourage retired or retiring owners or operators to transition their Conservation Reserve Program (CRP) acres to beginning or socially disadvantaged farmers or ranchers. TIP sign up began on May 17, 2010. If all program requirements are met, TIP provides annual rental payments to the retiring farmer for up to two additional years after the date of the expiration of the CRP contract, provided the transition is not to a family member. To be eligible, TIP requires that the retired or retiring farmer or rancher:

- Have land enrolled in CRP that is in the last year of the contract.
- Agree to allow the beginning or socially disadvantaged farmer or rancher make conservation and land improvements.
- Agree to sell, or have a contract to sell, or agree to long-term lease (a minimum of 5 years) the land under CRP contract to a beginning or socially disadvantaged farmer or rancher by Oct. 1 of the year the CRP contract expires.

Generally, TIP only applies to contracts that expire on September 30, 2010, or later. However, retired or retiring owners or operators with CRP contracts that expired on September 30, 2008, and September 30, 2009, may be eligible to enroll in TIP provided all of the following apply:

- The land has not been sold or leased before signing a CRP-TIP Contract
- Producers are otherwise eligible under TIP provisions
- The conservation plan is modified to require sustainable grazing or crop production methods.

To learn more about this program, producers interested in applying and participating in TIP should visit their USDA Farm Service Agency (FSA) county office or www.fsa.usda.gov.

Crop Reporting

The annual requirement of reporting to the FSA office can be referred to as crop reporting, acreage reporting, or crop certification. Filing an accurate and timely report for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of FSA programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Load Deficiency Payments. The certification form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. The producer certification deadline for fall- and spring-seeded small grains is June 30, and the final reporting date for CRP, NAP, and all other crops is July 31 (NAP crops must be reported by the final reporting date or 15 days before harvest).

CRP & NAP Certification

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

Prevented Planting:

Prevented planting is to 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.

COC ELECTION NOMINATIONS

The election of agricultural producers to Farm Service Agency (FSA) county committee starts with the nomination of eligible candidates. To become a nominee, eligible individuals must sign nomination form FSA-669A. The form includes a statement that the nominee agrees to serve if elected. This form is available at USDA Service Centers and online at:

http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf

Nomination forms for the 2010 election must be postmarked or received in the local USDA Service Center by close of business on Aug. 2, 2010.

Agricultural producers who participate or cooperate in an FSA program may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate. Additionally, organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed for the county committee of the office that administers a producer's farm records. The election for 2010 will be held for LAA#2. This includes North Salem, Baker, Grantsville, Locust Creek, Benton, & Enterprise Townships.

Payment Limitations

Anyone who plans to participate in 2010 programs is required to submit a completed CCC-902, CCC-926, and CCC-901, if applicable, for payment eligibility and payment limitation purposes. The form used prior to 2009 was named CCC-502.

Contributions

All partners, stockholders, or members with an ownership interest in the legal entity must make a contribution, whether compensated or not compensated, for active--*

- Personal labor,
- Active personal management,
- Or a combination of active personal labor and active personal management to the farming operation;

*Note: there are exceptions for spouses.

Wetlands Reserve Program (WRP)	50,000
Disaster Assistance Programs	
Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP); Livestock Forage Disaster Program (LFP); Livestock Indemnity Program (LIP); Supplemental Revenue Assistance Program (SURE)	100,000
Noninsured Crop Disaster Assistance Program (NAP)	100,000
Tree Assistance Program (TAP)	100,000
Loan Deficiency Payments (LDP); Marketing Assistance Loans; Marketing loan gain (MLG)	No limits

1/ Under ACRE, this amount will be a combined limitation for counter-cyclical and ACRE payments. If a person or legal entity has a direct or indirect interest in payments earned on a farm participating in ACRE, this limitation will reflect an increase for the amount that direct payments are reduced.
2/ If the person or legal entity has a direct or indirect interest in payments earned on a farm that is in ACRE, this limitation will reflect a 20 percent reduction in direct payments on each far that is participating in ACRE.

Additional information on payment limitations is available at FSA county offices or on line at: www.fsa.usda.gov

SODBUSTING

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 and request a wetland and HELC determination from NRCS. 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 with the staff 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.



Person or Legal Entity Payment Limitations	Limitation (in Dollars)
Program Payment Type	2010 / 2011 / 2012
Commodity Programs	
Counter-cyclical and Average Crop Revenue Election (ACRE), except peanuts	65,000 <u>1/</u>
Counter-cyclical and Average ACRE payments on peanuts	65,000 <u>1/</u>
Direct payments on covered commodities except peanuts	40,000 <u>2/</u>
Direct payments on peanuts	40,000 <u>2/</u>
Conservation Programs	
Conservation Reserve Program (CRP) annual rental payment.	50,000
Cost Conservation Stewardship Program (CSTP) for FY 2009-2012	200,000
Environmental Quality Incentives Program (EQIP) FY 2009-2012	300,000
Grassland Reserve Program (GRP)	50,000
Wildlife Habitat Incentives Program (WHIP)	50,000

GIS

As part of a program to digitally map the nation's farms and fields, the United States Department of Agriculture (USDA) has established the Common Land Unit (CLU) as a standardized GIS (Geographic Information Systems) data layer that has allowed mapping to be integrated easily on a nationwide basis. The Farm Service Agency manages this CLU data layer through a distributed database environment for all field service centers throughout the country. Using GIS provides for more consistent and more accurate land measurements, such as field acreage and acreage boundaries of conservation practices, such as riparian buffers. With high quality digital imagery, new land use changes (farm transfers and land subdivisions) can be easily updated. Maps can be created in either paper or digital format for FSA customers or the public. More information about the Common Land Unit and NAIP imagery can be found by visiting on-line, APFO (Aerial Photography Field Office) at www.apfo.usda.gov

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped 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. Remember, to be effective for the current year, recons must be requested by **August 1** for farms enrolled in specific programs. Following are different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse. There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to contact your local FSA office.

Online Services

Producers, if you have Internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows. You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at:

<http://www.eauth.egov.usda.gov/> and then click on "Create an Account Page" link. USDA eAuthentication is the system used by USDA agencies to enable customers to obtain accounts that will allow them to access USDA Web applications and services via the Internet. This includes things such as submitting forms electronically, filing eLDPs, completing DCP contracts, filling out surveys online, and checking the status of your USDA accounts. Submitting an e-Form is convenient. You can access information anytime day or night seven days a week. It's faster. Forms along with applications can be submitted and received in the county office in a matter of minutes, not days or weeks. To access Online Services with an e-Authentication Level 2 account, go to www.fsa.usda.gov and click on Online Services.

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender.



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In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources. 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. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA. For details, just contact the county office staff for an appointment with a farm loan officer.

Banking Changes?

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours. To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions. If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

Selected Interest Rates for June 2010	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	3.125%
Farm Ownership Loans — Direct	5.125%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer, Rancher or Socially Disadvantaged	1.50%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr.	3.00%
Farm Storage Facility Loan 10-yr.	3.625%
Farm Storage Facility Loan 12-yr.	3.875%
Commodity Loans 1996-Present	1.375%

Dates to Remember	
June 30	Final reporting date for Fall- and Spring-seeded Small Grains
July 5	Fourth of July Holiday observed – County Offices closed
July 31	Final Reporting Date for CRP, NAP, and all other crops (NAP crops must be reported by final reporting date or 15 days before harvest)
Continues	Continuous Conservation Re- serve Program

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

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