



NEWSLETTER



Atchison County FSA Office

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Hours

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

December 2011

County Office Staff

Corey Leshner,
County Executive
Director

William R. Dreyer,
Farm Loan Manager

Roger Uptergrove,
Farm Loan Officer

Nancy Daugherty
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Karen Vette,
Program Technicians

Bernard Heits
Julie Joesting
Roger Martin,
County Committee

County Committee
Meets 2nd Wednesday
of every month at 8:00
a.m.

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

It is hard to believe we are almost to the end of another year. Here at the FSA, we are looking at some changes for the upcoming year. First of all, we will be saying goodbye to one of our co-workers, as Nancy Daugherty will be retiring at the end of January with over 25 years of service. Nancy has been a very valuable member of our team and has provided a great service to the producers of this county for many years. We will be hosting a reception in her honor at the end of January and hope everyone can attend. Full details will be put out as soon as they are finalized.

Second, signup for the 2012 Direct and Counter-Cyclical Program (DCP) and Average Crop Revenue Election Program (ACRE) has been delayed this year and will not start until January 23, 2012. In addition, there is not an option to receive advance direct payments, but instead the full 2012 payments will be made in October. The deadline to enroll in either program is June 1, 2012.

The final change is that newsletters and other mailings are going to be drastically reduced as a cost saving measure. As a result, we are moving towards using electronic methods to notify everyone of deadlines, signups and other important information. One way we are doing this is by using FSA eAlerts. This system allows us to send notifications to you via email or text messaging. If you have not already signed up for this option, please contact the office or email me directly at corey.lesher@mo.usda.gov and provide us with your email address and /or cell phone number and we will add you to our database. If providing your cell phone number, we will also need to know your cell phone provider. FSA eAlerts will only be used for important information notifications and your contact information will not be shared with anyone else.

In addition to these items, we are currently conducting signup for the 2010 Supplemental Revenue Assistance Program (SURE). Because the county received a Secretarial Disaster Declaration during the 2010 crop year, producers who had at least a 10% loss on at least one crop of economic significance meet the initial eligibility requirement. An overall loss in revenue on the whole operation will result in a SURE payment. To apply, contact the office and we will process your application based on crop insurance data provided to us by the Risk Management Agency. The deadline to apply for 2010 SURE is June 1, 2012.

Finally, we have multiple applications on file for the Emergency Conservation Program (ECP) due to the 2011 flood. Remember that field repairs cannot begin until an onsite visit is completed by FSA. After the onsite visit is completed and as field repair work is completed, remember to provide the office with all invoices. We will complete a final field visit and, pending funding, will pay cost share for eligible practices.

Please don't hesitate to contact the office if you have any questions. Enjoy the holidays!

Corey Leshner

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available to producers who share in the risk of producing a crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest. Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible, they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan. Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. Section 1291 of the Department of Defense and Full-Year Continuing Appropriations Act of 2011 does not authorize funding to provide nonrecourse MALs for mohair for the remainder of FY 2011. Effective April 14, 2011, County Offices are no longer authorized to accept requests for mohair marketing assistance loans and loan deficiency payments.

Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

**Have you signed up to receive
FSA eAlerts
for important program information?**

If not, see page 1 for details

New AGI Form for 2012

On September 28, 2011, FSA started using CCC-931 "Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information" for all 2009, 2010, 2011 and 2012 programs that are subject to AGI compliance. FSA will no longer accept CCC-926, CCC-927, or CCC-928 for any program. The new form is a combination of the Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information forms previously used by FSA. Form CCC-931 is available at your local FSA office or online at <http://intranet.fsa.usda.gov>. Producers can print and mail the form to their local FSA office. FSA employees will review the form for accuracy before forwarding it to the IRS. If CCC-931 is incomplete, the producer will be notified and corrections will be completed prior to FSA forwarding it to the IRS. Producers with FSA-211, "Power of Attorney" will not be allowed to use the FSA-211 to complete CCC-931. Producers who failed to file these forms before Sept. 2011 will receive a notice from the National Office stating that the producer is ineligible for 2010 and/or 2011 payments. Without these forms on file, eligible producers will not receive USDA program payments. For more information please contact your local office.

Expiring CRP Contracts

You may be aware that FSA has recently had two general CRP sign ups. These were the first general CRP sign ups FSA has offered since 2006. Both of these sign ups allowed producers who had contracts that were going to expire that year on September 30th, to re-offer their acres. It is assumed that this same process will continue each year, allowing producers of expiring contracts to re-offer them via a general sign up. Again, this is only an assumption, **a sign up or an official plan has not been announced.**

During the last two general sign ups, our office has found numerous expiring CRP farms that had tree and gully issues. For your CRP acreage to be eligible to be offered if/when a sign up does become available, it must meet all CRP eligibility criteria. **Trees and gullies will not be eligible.** Per paragraph 151 of Handbook 2-CRP, for land to be considered as eligible to be offered into CRP it must "be physically capable of being planted in a normal manner to an agricultural commodity." The Atchison County Committee does not consider CRP acreage with tree and gully issues as being physically capable of being planted in a normal manner and as such will deem those acres ineligible to be re-offered.

Producers who have contracts that will expire in the next few years are encouraged to begin to evaluate your acreage now for potential issues. If you have trees and/or gullies, you should address them as soon as possible. The acreage must be "openly cropable" at the time of re-offer or it will not be eligible.

Farm Reconstitutions

When changes in farm 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. The following are the different methods used when doing a farm recon. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-Cyclical Program: **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. If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

NAP Closing Dates

The NAP application sales closing date for potatoes is December 31, 2011. The NAP application closing date for 2012 grazing and forage/hay on native and improved grass is March 15, 2012. Remember, to retain eligibility for the SURE program, all crops of economic significance must be covered by crop insurance or through NAP.

Selling Land?

If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date. Reviewing program implications with your local FSA staff before completing a sale of farmland is always a prudent precaution.

Farm Loan Programs

Farm Loan Programs make several different types of loans, and the following are three of them. For information on these or other types of loans, contact your local county office.

Rural Youth Loans

FSA makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

Beginning and Limited Resource Farmer & Rancher

FSA assists beginning farmers and ranchers with financing agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in any loan assessment and borrower training program in production and/or financial management required by the Agency
- Does not own farm acreage greater than 30 % of the median size farm in the county.

Loans for the Socially Disadvantaged

FSA has loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or to purchase or improve farms or ranches. While all qualified producers are eligible to apply for these loan programs, the FSA has provided targeted funding for members of socially disadvantaged groups. A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.



Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 losses began **Nov. 14, 2011**, and will end **June 1, 2012**. The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that were incurred in the crop year 2010. SURE is available to eligible producers on:

- 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 on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.

Dates to Remember

Dec. 26	Service Center Closed - Christmas
Dec. 31	NAP sales closing dates for Potatoes
Jan. 2	Service Center Closed – Happy New Year
Jan. 16	Service Center Closed – Martin Luther King Jr. Birthday Observed
Jan. 23	DCP / ACRE signup begins
Ongoing	2010 SURE signup – June 1
On going	Farm Storage Facility Loans
On going	Continuous CRP signup

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

Selected Interest Rates for December 2011

Farm operating loans - Direct	1.5%
Farm ownership loans - Direct	3.375%
Limited Resource loans	5.0%
Farm ownership loans – Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.75%
Farm Storage Facility Loans 7-yr	1.5%
Farm Storage Facility Loans 10-yr	2.125%
Farm Storage Facility Loans 12-yr	2.375%
Commodity Loans 1996-Present	1.125%

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