



# Hillsdale County News

## Hillsdale County USDA Service Center

### Hillsdale FSA

588 Olds St. Bldg 2  
Jonesville, MI 49250  
Phone 517 849-9890 X 2  
FAX 517 849-9895  
[www.fsa.usda.gov/mi](http://www.fsa.usda.gov/mi)

### Hours

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

### County Committee

Tom Schroeder -  
Chairman  
Sheryl Kies - Vice-Chair  
David Godfrey - Member

County Committee meets  
Second Tuesday of each  
month at 8:30 a.m.

### Farm Program Staff

Program Technicians:  
Nina Draper  
Brad Everline  
Cindy Gabbard  
Jamie Horeni  
Angela Lanius  
Pattie Nichols

Linda Kline – CED

### Farm Loan Staff

Deb Wheeler - PT  
Crystal Hepker -  
Loan Officer  
Russ LaFollette -  
Loan Manager



## DIRECT AND COUNTER- CYCLICAL PROGRAM

**Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program has been extended until August 14, 2009. FSA will not accept any late-filed applications.** Signup for the ACRE option is also available through August 14, 2009. An article on ACRE can be found on page 3.

FSA computes DCP Program payments using base acres and payment yields established for each farm. This year the payment will be based on 83.3% of your base acres. You may also notice a change in your payment because of corrections made to acreage as we changed to GIS maps.

Advance payments of 22% can be made. Final payments are expected to be processed in October.

Dates to Remember	
July 15 <sup>th</sup>	Last day to submit production for NAP
August 1 <sup>st</sup>	Last day to report farm changes/request reconstitutions
August 3 <sup>rd</sup>	Last day to submit COC nominations
August 14 <sup>th</sup>	Last day to report crops
August 14 <sup>th</sup>	Last day to signup for DCP and ACRE programs
Continues	Farm Storage Facility Loan Program
Continues	Continuous Conservation Reserve Program, CREP, and CRP-SAFE

## From the New CED's Desk

I would like to introduce myself. My name is Linda Kline and I was hired as the new County Executive Director (CED) for Hillsdale County. I replaced Judy Hostetler, who retired in April.

In 2005, I was hired as a Program Technician for FSA in Hillsdale County. After a year's employment in Hillsdale, I entered a year-long training program to prepare me for the position of CED. In January 2008 I was hired as CED in the Ionia Office and worked there until April 2009 when I was hired in Hillsdale. In my first year as a CED, I gained much practical knowledge. I was fortunate to have worked with a great staff who helped me as I learned.

As I have begun my job in Hillsdale, the staff and County Committee have been very kind and welcoming. Again, I find that I am learning from their accumulated years of experience. I feel fortunate that they have been so willing to work in partnership with me.

On a personal note, my husband Mark and I have 5 children. Our youngest will be starting her 2<sup>nd</sup> year of college at Adrian, our oldest daughter is a hall director at Saginaw Valley, two sons are overseas in the Army, and our middle daughter is married to a Marine and living and working in California. We owned and operated a dairy farm in Hillsdale County for 30 years.

I plan on attending local agricultural meetings and hope that you will keep me informed of meeting dates and times. I look forward to re-meeting and working with the producers in the area. It is good to be home!



**Landowners in the Conservation Reserve Program (CRP) must certify compliance on their CRP acreage by signing a FSA-578.**

**For 2009 this must be done by August 14.**



### **Banking Changes?**

Payments are electronically transferred into your bank account. If we are not aware of changes to either your account and/or routing numbers, your payment could be delayed.

It is important that any changes in a producer's account be provided to the county office promptly to avoid possible payment delay.

### **PRIVACY INFO CHANGES**

The farm bill legislation provides specific protection of owner/operator information. This includes information on bases and yields, acres farmed, and maps with farm and tract numbers. Only owners and operators with valid leases will be able to receive this information.

We will not provide this information to others, including realtors, without written consent from you.

## **FSA Farm Loan Programs: Michigan's Lender of First Opportunity**

FSA offers Michigan's farm families access to affordable credit through a wide variety of lending opportunities. Our seasoned and knowledgeable staff specializes in tailoring our loan products to meet the needs of your operation. Beyond simple access to agricultural financing, FSA is an industry leader in providing supervised credit. This means we help farmers with farm planning, credit counseling, financial planning, and farm and financial education throughout the term of the loan.

FSA offers a wide spectrum of lending options that can be tailored to an individual's situation. We can make direct fixed rate farm ownership loans (FO) and fixed rate farm operating loans (OL) each with a maximum amount of \$300,000. We can also work with the borrower's local agricultural lender to guarantee commercial credit for both operating and ownership loans of up to \$1,094,000. In general, farm ownership funds may be used to purchase or enlarge a farm, purchase easements or rights of way needed in the farm's operation, erect or improve buildings, implement soil and water conservation measures, and pay closing costs. Guaranteed FO funds may also be used to refinance debt. Operating loan funds may be used to purchase livestock, poultry, farm equipment, feed, seed, fuel, fertilizer, chemicals, insurance, and other operating expenses. The funds also may be used for closing costs, and to reorganize and refinance certain debt.

**Every situation is different. Contact Crystal Hepker or Russ LaFollette at 517-849-9890 for additional information.**

### **SPOUSAL SIGNATURES**

Spouses may sign documents on behalf of each other for many FSA programs unless written notification denying a spouse this authority has been provided to the county office. This does not apply to commodity loans, farm loans, or the Loan Deficiency Program (LDP). Spouses must have an FSA-211 on file to sign commodity loan documents or LDP applications on behalf of each other.

## **New Commodity Loan Repayment Rates**

Since April 15, 2009, FSA began using an improved and more stable system for determining non-recourse marketing assistance loan repayment rates and loan deficiency payment rates for wheat, feed grains, pulse crops, oilseeds, wool, mohair and honey. The new method reduces the effects that daily market volatilities have on loan repayment rates and provides more certainty for producers who have taken advantage of marketing assistance loans or loan deficiency payments. The loan repayment rate may now be determined as the lesser of the loan rate plus interest and a rate based on:

- 1) Average market prices during the previous 30 days, or
- 2) An alternative method the secretary may develop.

Beginning April 15, 2009, for wheat, corn, grain sorghum, soybeans, barley, oats, canola, flaxseed and sunflower seed, the Commodity Credit Corporation (CCC) determines and publishes daily loan repayment rates based on the average market prices during the preceding 30 days. At the same time, CCC will announce each day a repayment rate based on the preceding five days. The new method will replace the current one, which is based on the previous day's market rates. The effective alternative repayment rate will be the lower of either the 30-day average or the 5-day average.

The 30-day method will reflect a 30-day moving average of all terminal market prices for the crop, adjusted by the difference between the applicable national loan rate and the county loan rate. The 5-day method will reflect a 5-day moving average of applicable terminal market prices adjusted by applicable county differential and terminal adjustments. This new loan repayment method will minimize potential forfeitures, accumulation of CCC stocks, CCC storage costs, market impediments and discrepancies in benefits across state and county boundaries.

## **SAFE And Continuous CRP Available**

At this time USDA has no general signups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Program State Acres For Wildlife Enhancement (SAFE), Continuous CRP, and CREP are still eligible for enrollment. These targeted programs remain funded and continue to provide heightened environmental and financial benefits to select areas.

Hillsdale County is eligible for a SAFE Practice. There is a signing incentive payment, cost share and a practice incentive payment that reimburses much of the cost of establishment. Call the office for more information.



## **Maintaining CRP Cover**

Cover maintenance for CRP is the participant's responsibility and must be done according to the conservation plan. All activity such as mowing, burning, and spraying must be conducted outside the primary nesting season for wildlife. In Michigan this is after August 1 and before August 20. Call the office if you have questions.

## **ACRE Program**

Beginning with the 2009 crop year, producers will have the option to participate in a state-level revenue protection program instead of the counter/cyclical (CC) portion of DCP. The program is set up per farm number, the same as DCP. Only farms with previously established bases are eligible.

ACRE election is optional and can be made in any of the next 4 years beginning with the 2009 crop year; but once the election is made, the farm will stay in the program through 2012. For 2009, you must enroll your farm by August 14.

Producers who choose to participate in ACRE will:

1. Not receive a CC payment on enrolled farms.
2. Receive a 20 percent reduction in direct payments on enrolled farms.
3. Receive a 30 percent reduction in marketing assistance loan rates on enrolled farms.

ACRE payments are made only if two triggers are met. First, 90% of the state's historical revenue must exceed the current year's state revenue. Second, the farm's historical revenue must exceed the current year's farm revenue (the farm's actual yield times the ACRE Price). If the triggers are met, the producer will be eligible to receive an ACRE payment.

The payment is equal to the difference between the state revenue guarantee and the state actual revenue calculation; times 83.3 percent (85 percent for 2012) of the acres planted on the farm or total base acres of the farm, which ever is less; times the productivity index factor (the farm's benchmark yield divided by the state's benchmark yield).

A good way to determine if your farm will benefit from the ACRE program is to visit the website <http://www.fsa.usda.gov/dcp>. This website has background information, an ACRE calculator, and preliminary program parameters.

## **Questions?**

**Attend the ACRE Informational Meeting**  
(See the last page for details)

## **2009 Compliance**

Compliance and spot checks will once again be utilized during the 2009 crop year. Instead of locally selecting farms, contracts, deficiency loans, etc. for spot check and review, a nationwide selection of producers is used to achieve a statistical sampling of participating producers. Spot check selections are to be conducted based on a producer's participation in Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program, etc.

For more information about the new spot check selection procedure, feel free to contact your local office for additional clarification.

## **Controlled Substances**

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits.

If convicted of one of these offenses, the program participant shall be ineligible during that crop year and the four succeeding crop years for direct and counter-cyclical payments, price support loans, loan deficiency payments, market loan gains, storage payments, farm facility loans, Non-insured Crop Disaster Assistance Program payments or disaster payments.

Program participants convicted of any federal or state offense consisting of the distribution (trafficking) of a controlled substance shall, at the discretion of the court, be ineligible for any or all program payments and benefits:

- for up to 5 years after the first conviction
- for up to 10 years after the second conviction
- permanently for a third or subsequent conviction.

Program participants convicted of federal or state offense for the possession of a controlled substance shall be ineligible, at the discretion of the court, for any or all program benefits, as follows:

- up to 1 year upon the first conviction
- up to 5 years after a second or subsequent conviction

**Prevented Planting:**

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

**Failed Acreage:**

Reports of failed acreage must be filed within 15 days before disposition of the crop. 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.

**CROP REPORTING – Deadline Extended!**

**Due to late planting, the 2009 certification deadline for crops is August 14.** The certification form FSA-578 must account for all cropland on a farm, whether idle or planted. NAP crops must be reported 15 days prior to harvest or by 8-14, whichever comes first.

Filing a report for all crops and land uses, including failed and prevented planting acreage, can prevent loss of benefits from the Direct and Counter-Cyclical Program (DCP), Average Crop Revenue Election (ACRE), Grassland Reserve Program (GRP), Conservation Reserve Program (CRP), Marketing Assistance Loans (MAL) and Loan Deficiency Payments (LDP).

**Call the office at 517-849-9890 so your maps can be printed and an appointment can be scheduled. To more efficiently serve our producers, we are asking that you pick up the maps, write in the required information, and return the maps prior to your appointment.**

**ACRE Informational Meeting**

**Date:** Tuesday, August 4, 2009

**Time:** 6:00-9:00 PM

**Where:** Hanover Horton Historical Society Heritage Park Building  
121 Tefft St., Hanover, MI

**Speaker:** Roger Betz, MSU Extension Farm Management Educator

FSA representatives from Jackson, Lenawee and Hillsdale County will also be present.

The purpose of the meeting is to help participants better understand the program and decide if ACRE is right for them for 2009.

Mark your calendar now and call the office at 517-849-9890 if you have questions.

Persons with disabilities who require accommodations to attend or participate in this meeting should contact Linda Kline at 517-849-9890 ext.2, 202-720-2600, or Federal relay Service at 1-800-877-8339.

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