

February 2013



Isabella County FSA Updates

Isabella County FSA Office

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USDA Announces 45th General Sign-Up for the Conservation Reserve Program

Agriculture Secretary Tom Vilsack today announced that the U.S. Department of Agriculture (USDA) will conduct a four-week general sign-up for the Conservation Reserve Program (CRP), beginning May 20 and ending on June 14. CRP has a 27-year legacy of protecting the nation's natural resources through voluntary participation, while providing significant economic and environmental benefits to rural communities across the United States.

Currently, about 27 million acres are enrolled in CRP. Producers that are accepted in the sign-up can receive cost-share assistance to plant long-term, resource-conserving covers and receive an annual rental payment for the length of the contract (10-15 years).

Contracts on 3.3 million acres of CRP are set to expire on Sept. 30, 2013. Producers with expiring contracts or producers with environmentally sensitive land are encouraged to evaluate their options under CRP.

Additional sign-ups for continuous CRP programs such as Highly Erodible Land Initiative and Initiative to Restore Grasslands, Wetlands and Wildlife will be announced in spring 2013.

For more information on CRP and other FSA programs, visit a local FSA Service center or www.fsa.usda.gov.

DCP and ACRE Sign-up

FSA will begin sign-ups for DCP and ACRE for the 2013 crops on **Feb. 19, 2013**. The DCP sign-up period will end on Aug. 2, 2013; and the ACRE sign-up period will end on June 3, 2013.

The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013. Likewise producers who were enrolled in DCP may opt for ACRE enrollment.

[Read more about DCP and ACRE](#) or contact the FSA county office for more information, or an appointment to enroll.

New Microloan Program

The Farm Service Agency (FSA) developed the Microloan (ML) program to better serve the unique financial operating needs of beginning, niche and small family farm operations by modifying its Operating Loan (OL) application, eligibility and security requirements. The program will offer more flexible access to credit and will serve as a loan for smaller farming operations like specialty crop producers and operators of community supported agriculture (CSA).

Rates and Terms

Eligible applicants may obtain a microloan for up to \$35,000. The repayment term may vary and will not exceed 7 years. Annual operating loans are repaid within 12 months or when the agricultural commodities produced are sold. Interest rates are based on the regular OL rates that are in effect at the time of the microloan approval or microloan closing, whichever is less.

Loan Application

The application process for microloans will be simpler, requiring less paperwork to fill out, to coincide with the smaller loan amount that will be associated with microloans. Requirements for managerial experience and loan security have been modified to accommodate smaller farm operations, beginning farmers and those with no farm management experience.

More Information and Eligibility Criteria

Additional information on the FSA microloan program may be obtained at local FSA offices or through the FSA Website at www.fsa.usda.gov.

Customers Providing Checks in Person or by Mail

There has been an important change to how your checks will be handled when presented to the FSA office for any payments you make.

When you provide a check as payment, you authorize us either to use information from your check to make a One-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic funds transfer, funds may be withdrawn from your Account as soon as the same day you make your payment.

The electronic funds transfer from your account can occur faster than a check normally processed. Do not present a check to the cashier unless there sufficient funds available in our checking account

Actively Engaged

To be eligible for payments and benefits under specified programs, all program participants, either individuals or Legal entities must provide significant contributions to the farming operation to be considered as "actively engaged in farming." Contributions can consist of capital, land, and/or equipment, as well as active personal Labor and/or active personal management. The management contribution must be critical to the profitability of the farming operation and the contributions must be at risk.

Each partner, stockholder or member with an ownership interest must contribute active personal labor and/or active personal management to the farming operation on a regular basis. The contribution must be identifiable and documentable; as well as separate and distinct from the contributions made by any other partner, stockholder or member. If any partner, stockholder or member with an ownership interest fails to meet this requirement, program payments will be reduced by the corresponding share held by that partner, stockholder or member. There is an exception allowed for legal entities, such as corporations, if total direct payments received both directly and indirectly, by the legal entity and its members do not exceed \$40,000.

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Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance 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 a loan assessment, borrower training and financial management program sponsored by FSA

Does not own a farm in excess of 30 percent of the county's median size.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov.

USDA is an equal opportunity provider and employer. 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 20250-9450, 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).

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If you have questions about FSA activities, please view our [Frequently Asked Questions](#) page or you may also [Search](#) our web site. These features are designed to assist you in obtaining the information you are seeking.

This service is provided to you at no charge by the [USDA Farm Service Agency](#).