



# Shiawassee County FSA News

Shiawassee County  
USDA Service Center

Shiawassee County FSA  
1900 S. Morrice Rd.  
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[www.fsa.usda.gov/mi](http://www.fsa.usda.gov/mi)

County Committee  
Nicholas Zdunic  
John T. Stasa  
George J. Zmitko I  
Julia Birchmeier – Advisor

County Committee meets  
2<sup>nd</sup> Thursday

Farm Program Staff  
Louri Miller  
Larry Godfrey  
Nancy Vogl  
Angela Case  
Bernadette Schneider  
Debra Walker

Field Assistant  
William Darnell

Farm Loan Staff  
David Hemker

County Executive Director  
Jayne A. Van Ness

GENESEE COUNTY  
Monday/Wednesday/Friday

SHIAWASSEE COUNTY  
Tuesday/Thursday



## DCP Signup Continues

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program continues until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

FSA computes DCP program payments using commodity base acres and payment yields established for each farm.

Eligible producers will receive direct payments for enrolled acreages regardless of market prices. Advance payment rates are based on 22% of the direct payment for each base associated with the farm. Counter Cyclical payment rates will vary by commodity depending on market prices, and are issued only when the effective price for a commodity is below its target price.

We encourage producers to not delay in scheduling your appointment to enroll. Enrolling into the DCP program now and revising your contracts to enroll into the ACRE program at a later date is allowed.

Producers eligible for the DCP Program may enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin shortly after final forms, applications and computer software is fully developed.

## FARM BILL TRAINING MEETING

A Farm Bill Training meeting will be held for Genesee/Shiawassee and Saginaw County Producers covering the new ACRE program, SURE Program, Facility Loan Program and MILC Program as well as other changes in programs and policies resulting from the 2008 farm bill. This meeting will held at the following location:

**Date:** April 7, 2009  
**Time:** 9:00 A.M.  
**Place:** Albee Twp. Hall  
M-13

**If you cannot attend this meeting an additional meeting will be held in the afternoon at:**

**Place:** Baker College,  
Welcome Center  
**Conference Room "B"**  
**Time:** 2:00 – 5:00 PM  
**(Limited to a smaller group)**

## Flexible or Cash Lease

Producers should be careful to differentiate between flexible leases and cash leases when reporting to the Farm Service Agency (FSA).

Flexible leases, in which the producer pays a base rent, and offers a bonus on yield and/or price increase to a landowner, are considered by FSA as share leases. Cash leases specifying a fixed amount, not subject to changes from yield or price are most common in our county.

## Dairy Prices Trigger MILC Payment

Due to low milk prices, FSA will be making payments in April to producers through the FSA's Milk Income Loss Contract, or MILC program. The 2008 Farm Bill made changes to the MILC program, most notably the addition of a dairy feed ration cost adjustment in addition to changes to the payment rate and modifications to the per-operation poundage limit, depending on when the milk is produced.

FSA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted for feed costs.

## Payment Limit & Direct Attribution

For commodity and disaster programs, the Adjusted Gross Income (AGI) limitation was reduced for \$2.5 million from all sources to a three-year average **non-farm AGI of \$500,000**.

Program payments are limited by direct attribution to individuals or entities. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Individuals must also be "actively engaged in farming in order to be eligible for program benefits. A significant contribution of: (1) Capital, equipment, land, or a combination, there of; and (2) personal labor and active personal management, or a combination, there of.

## NAP Production Reporting

Production records for individual crops insured with FSA through the Non Insured Assistance Program need to be filed with our office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you have participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be reliable and/or verifiable. Records need to show crop disposition. It is recommended that producer's submit 2008 production records as soon as possible after harvest. ***All production records must be submitted by the subsequent crop year's final acreage reporting deadline.***

## NAP Coverage Deadlines

Non Insured Assistance Program, disaster applications are due at different times according to the crop being insured. Producers apply for coverage by filing form CCC-471, application for coverage. Related fees are due when the application is filed.

The service fee is \$250 per crop, per county or \$750 per producer, per county. The fee cannot exceed a total of \$1875 per producer for individuals with farming interests in multiple counties.

## Honey Loans Available

Marketing assistance loans for 2008 crop year honey are available until March 31, 2009. The national loan rate for honey is \$0.60 per pound.

To be eligible for a loan, the producer must have produced honey in the US from an approved floral source during the calendar year for which the loan is requested, on the extracted the honey on or before December 31<sup>st</sup> of the applicable crop year. The commodity must be stored in approved containers and marked with the producer's name, type of honey, number of containers and net weight. Pre-loan inspections are required before loans can be disbursed.

## Commodity Loans Available

Marketing assistance loans for eligible commodities are available on the following crops:

Commodity	Loan Rate	Final Availability Date	Commodity	Loan Rate
Corn	\$1.86/bu.	May 31, 2009 - March 31, 2009	Barley	\$1.67/bu.
Grain Sorghum	\$3.33/cwt.	May 31, 2009 - March 31, 2009	Oats	\$1.39/bu.
Soybeans	\$4.98/bu.	May 31, 2009 - March 31, 2009	SR Wheat	\$2.21/bu.
		March 31, 2009	SW Wheat	\$2.18/bu.

Loans may be disbursed as on farm storage or in a UGSA approved warehouse.

## Livestock Indemnity Program

The Livestock Indemnity Program (LIP) compensates producers for livestock death losses in excess of normal mortality rates due to adverse weather that occurred on or after January 1, 2008 and before October 1, 2011. Producers who had livestock deaths due to adverse weather conditions should document these losses as to the kind, weight range, number of livestock, and the date the animals were lost. Producers must have proof of death of livestock by the following means:

- Rending truck receipts or certificates
- Veterinary records
- Dairy herd improvement records
- Third-party verification

The third party verification must certify in writing their name, address, telephone number, affiliation of the third party to the participant, details of knowledge of livestock deaths, and the number and kinds of livestock. The third party may not be someone who is affiliated with the operator, such as a hired hand or family member. Producers should also document losses by taking photos of the animal(s).

Currently, FSA does not have all forms and procedure to allow enrollment, however accurate records are needed to ensure eligibility when enrollment and funding become available.

## Sodbuster/Swampbuster

Most USDA programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop. Further, participants are prohibited from converting wetlands for agricultural production purposes. Additional provisions, such as tiling, repairing and/or modifying existing tiling or cleaning and/or modifying any drains located on your farm may also be considered a violation. Please contact your local FSA office if you are considering doing any of the above mentioned items.

## Farm Changes

Any changes in the operation of a farm, such as a change in ownership, operator, non agricultural acreages must be reported to FSA to ensure the most accurate records are up to date. FSA is currently updating all farmland and cropland acreage by tract to the acreages posted to the digital maps mailed out in 2008. These changes may result in base acreage reductions and/or re-distributions. All changes must be made prior to enrollment into the 2009 DCP program. Farm changes requiring reconstitutions of acreage must be requested no later than August 1<sup>st</sup>. The parent farm of a requested reconstituted combination and/or division must be enrolled in DCP no later than June 1<sup>st</sup> to allow the resulting farms to participate in the program.

United States Department of Agriculture  
Shiawassee County FSA Office  
1900 S. Morrice Rd.  
Owosso, MI 48867

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## **Stimulus Funding for Farm Loan Program (FLP) Loans**

As part of the recently approved economic stimulus package, FSA's Farm Loan Program (FLP) is scheduled to receive an extra \$173 million in funding for the direct operation loan (OL) program. Many states have a current backlog of approved OL loans waiting for funding. As of February 23<sup>rd</sup>, the backlog stood at 1,039 loans valued at more than \$72 million. Producer's financial needs have increased significantly with the elevated costs of production inputs and the downturn in the agricultural economy. This growing need, coupled with FLP's successful marketing efforts, has generated increased demand for FSA OL loans as well as farm ownership loans.

## **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 are considered industry leaders in providing supervised credit.

We serve a variety of Michigan's agricultural producers including individuals and entities wanting to start farming, those wanting to continue or change their operations, women and minorities who want to start or continue farming, and youth wanting to build their own income producing agricultural projects.

***Every situation is different. Contact your local FSA Service Center to speak to a local loan officer.***

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