

Farm Service Agency

April 2008

# Ottawa County Farm Service Agency Newsletter

#### Ottawa County FSA 16731 Ferris Street

Grand Haven MI 49417 616.842.5852 (phone) 616.842.2820 (fax)

#### <u>Hours</u> Monday – Friday 8:00 a.m. – 4:30 p.m.

County Committee (COC) Kirk Haverdink Wayne Hecksel Dave Pyle

COC Advisor Helen R. Dietrich

Farm Program Staff Blain Becktold, CED Dawn Essenburg, PT Jackie French, PT Andy Stille, PT

Field Reporter Les Kloosterman

Farm Loan Staff Leslie Wills, FLM Susan McIntosh, PT

# Dates to Remember

## DDAPIII

May 5, 2008 - Sign-up ends at close of business

CDP

Ongoing - no deadline announced

## <u>LCP</u>

Ongoing - no deadline announced

## Acreage Reporting

<u>Deadline</u> June 30, 2008 - Fall seeded crops July 15, 2008 - Spring seeded crops



United States Department of Agriculture

#### NEW COUNTY COMMITTEE ADVISOR

The County Office would like to congratulate Helen Dietrich as the new Advisor to the County Committee. This is an appointed position and is a one-year term beginning March 1. Helen's contact with the area farming industry will ensure that the interests of socially-disadvantaged farmers are fairly represented. She will also be able to provide valuable input to the committee as she is active in the fruit and vegetable industry which makes up a large portion of Ottawa County.

## ABOUT RISK MANAGEMENT

The role of USDA's Risk Management Agency (RMA) is to help producers manage their business risks through effective, market-based risk management solutions. RMA's mission is to promote, support, and regulate sound risk management solutions to preserve and strengthen the economic stability of America's agricultural producers. As part of this mission, RMA operates and manages the Federal Crop Insurance Corporation (FCIC). RMA was created in 1996; the FCIC was founded in 1938. RMA, via the FCIC, provides crop insurance to American producers. Sixteen private-sector insurance companies sell and service the policies. RMA develops and/or approves the premium rate. administers the premium and expense subsidies, approves and supports products, and reinsures the companies.

# FARM BILL UPDATE

The Annual DCP Program expired September 30, 2007 and no New Farm Bill has been passed to take it's place. Congress extended the 2002 Farm Bill until April 18, 2008. All this means for FSA producers is that you may sign up for Continuous CRP contracts and/or Wool LDPs thru April 18, 2008. As soon as any new information is received regarding a new farm bill or extension of the 2002 Farm Bill for one year, we will publicize the information as soon as possible.

## BEWARE OF CROP INSURANCE REBATING SCHEME

With the spring sales closing date for many Federal crop insurance policies right around the corner, crop insurance agents have stepped up their marketing efforts.

The Risk Management Agency (RMA) has received reports from producers and agents that some aggressive marketers have been approaching producers with rebating offers. These schemes promise lower insurance premiums, refunds, dividends, or items of value tied to crop insurance purchases. Most of these activities are illegal.

RMA reminds all Federal crop insurance program participants that it is now coordinating with state regulators to take appropriate regulatory action against all those who are found to promote or participate in such schemes.

Producers who are found to participate in illegal rebating activities will not only lose their crop insurance coverage but will also lose eligibility in all USDA programs.

Producers and agents can report suspicions of illegal rebating to the OIG Hotline at 1.800.424.9121.

# CRP MID-CONTRACT MANAGEMENT

Conservation Reserve Program (CRP) participants are reminded to review their Conservation Plan for mid-contract management requirements. Mid-contract management is a new requirement that started with CRP Sign-up 26 (2003). Mid-contract management is necessary for certain CRP ground cover to ensure that original plant diversity, wildlife benefits, and protection of the soil and water resources are present for the life of the contract.



## CROP DISASTER PROGRAM (CDP) 2005 - 2007

The USDA Farm Service Agency's CDP provides benefits to farmers who suffered losses to the 2005 – 2007 crops from natural disasters and related conditions. The signup is currently underway and no deadline has yet been announced. Producers who incurred qualifying losses in 2005, 2006 or 2007 must choose only one year for which to receive benefits. They may receive benefits for multiple crop losses if all were in the same crop year. Only producers who obtained crop insurance coverage or coverage under the Noninsured Crop Disaster Assistance Program (NAP) for the year of loss will be eligible for CDP benefits.

To receive CDP benefits for quantity losses, the FSA county committee must determine that, because of eligible damaging weather, the producer:

- was prevented from planting a crop;
- sustained a loss in excess of 35 percent of the expected production of a crop; or
- sustained a loss in excess of 35 percent of the value for value loss crops.

If you had crop insurance or NAP and experienced a loss in either 2005, 2006 or 2007, please call the office: 616.842.5852, ext. 2 for application information.

#### DAIRY DISASTER ASSISTANCE PROGRAM III (DDAP)



Eligible dairy producers who suffered production losses in 2005, 2006 or 2007 may apply to receive benefits under the DDAP Program.

Producers can sign up at their local USDA Farm Service Agency until May 5, when sign-up will end. Applications were mailed on March 11, 2008 to the known dairy producers in Ottawa County. If you did not receive an application packet, please contact the office as soon as possible.

This dairy program will provide \$16 million in benefits to dairy producers for dairy production losses that occurred between January 1, 2005 and December 31, 2007, because of natural disasters. To be eligible, a producer's operation must be in a county that was designated as a major disaster or emergency area by the president or declared a natural disaster area by the secretary of agriculture between January 1, 2005 and December 31, 2007. Ottawa County is eligible for all three years.

No payments will be issued until after sign-up has ended and it is determined the amount of funds needed. If the payment amount is greater than the funds allocated for the program, applications with a 20% or less loss will not receive payments until producers with a loss greater than 20% payments have been issued. A payment factor may be applied to applications with 20% or less loss.

**<u>Note</u>**: The Dairy Disaster Assistance Program is for dairy production losses in 2005, 2006 or 2007 because of natural disasters and is separate from the Milk Income Loss Program which was a program authorized for the 2002 Farm bill to compensate dairy producers when domestic milk prices fell below a specified level.

## SECRETARIAL NATURAL DISASTER DETERMINATION

Ottawa County has been designated as a natural disaster area where eligible farmers may qualify for Farm Service Agency emergency (EM) loans due to losses caused by tornadoes, hail, excessive rain, and high winds that occurred May 15, 2007 and ending September 11, 2007. Please contact the Farm Loan Manager, Leslie G. Wills, for more information.

## SPOUSE SIGNATURE POLICY



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;
- shall not sign FSA-211 on behalf of the other;
- shall not sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities, <u>except</u> as follows:
  - Spouses may sign on behalf of each other for a husband/wife joint venture \*with a permanent tax ID number and sole proprietorship, unless written notification denying a spouse authority has been provided to the County Office. See applicable directives for acceptable spouse signature for FLP loans.\*
- must have a power of attorney on file or sign personally for claim settlements, such as promissory notes, farm loans, sign for commodity loans programs or loan deficiency applications.

## LIVESTOCK COMPENSATION PROGRAM (LCP) 2005 - 2007



The U.S. Department of Agriculture's Farm Service Agency Livestock Compensation Program 2005 – 2007 (LCP) provides benefits to livestock and catfish producers who suffered feed losses or incurred additional feed costs directly resulting from natural disasters occurring between January 1, 2005, and December 31, 2007, including losses because of blizzards that started in 2006 and continued into January 2007.

Ottawa is an eligible county having been declared a Secretarial Disaster area.

## Eligible Livestock

To be eligible under LCP, livestock must be dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine or deer that:

- have been physically located in an eligible county on the beginning date of the applicable disaster period;
- have been maintained for commercial use as part of a farming operation on the beginning date of the disaster period; and

not have been produced and maintained for reasons other than commercial use as part of a farming operation. Such excluded uses include, but are not limited to, wild free-roaming animals or animals used for recreational purposes such as pleasure, hunting, pets, roping or for show.

Dairy cattle, beef cattle, buffalo, beefalo, equine, poultry, elk, reindeer, sheep, goats, swine or deer that have been physically located in an eligible county during the applicable disaster period, and have been maintained as commercial use as part of a farming operation.

## Eligible Producers

To be eligible under LCP, producers must have:

- either owned or cash-leased eligible livestock (but not both for the same livestock) on the beginning date of the applicable disaster period(s); and
- suffered an eligible feed loss from produced or purchased forage or feedstuffs, or incurred additional feed
  costs as a result of an eligible disaster event(s) during the applicable disaster period(s) and the feed lost
  or additional incurred feed costs were intended for use with eligible livestock.

# Applying for LCP

Livestock producers applying for LCP must submit the following:

- a completed application in their administrative county FSA office;
- adequate proof, as determined by FSA, that the feed loss or incurred additional feed costs:
  - o were for the claimed eligible livestock;
  - o cocurred as a direct result of an eligible disaster event(s) during an eligible disaster period(s) in the calendar year for which benefits are being requested;
  - or other supporting documentation necessary to determine the applicant's eligibility. Supporting documents may include, but are not limited to, verifiable purchase records, veterinarian records, bank or other loan papers, rendering truck receipts, Federal Emergency Management Agency records, National Guard records, written contracts, production records, Internal Revenue Service records, property tax records, private insurance documents, sales records, and similar documents; and
  - the application must be filed during the application period.

## National Payment Rates for the Livestock Compensation Program

Available at <u>http://www.fsa.usda.gov/FSA</u> — then go to *news releases*.





#### **COUNTY COMMITTEE MEETINGS**

County Committee meetings are open to the public and are scheduled for the first Wednesday of each month beginning at 9:00 a.m. Please be advised that this schedule is subject to change and if you plan to attend one of the meetings, you should check with the County Office for meeting status prior to attending.

#### Farm Loan Program Highlights

FSA's loan programs are designed to help family farmers who are temporarily unable to obtain private, commercial credit. Several types of farm loans are available to qualified applicants:

- **Guaranteed Loans**: An approved lender makes the loan at their rates, terms, and conditions. FSA guarantees the loan up to 90% to assist producers with their financial needs.
- **Direct Loans**: Producers unable to qualify for a guaranteed loan from a commercial lender may be eligible for a loan direct from FSA. Direct loans can be used for the same types of purchases as guaranteed loans.
- Socially Disadvantaged Loans: This program has been developed to specifically target funding for individuals who are
  identified as belonging to a Socially-Disadvantaged Group. A socially-disadvantaged applicant is one who has been
  subject to racial, ethnic, or gender prejudice. The Agency has identified these groups as Women, Asians, AfricanAmericans, American Indians, Hispanics, Alaskan Natives, and Pacific Islanders.
- Beginning Farmer Loans: FSA provides direct and guaranteed loan assistance for beginning farmers who are unable to obtain financing from commercial credit sources.
- Emergency Loss Loans: Used for disaster relief.
- Rural Youth Loans: Helps youth sponsored by a project advisor, such as a 4-H club.
- Indian Land Acquisition Loans: Enables Indian Tribes to purchase privately-held lands that lie within their reservations.

Interested producers should contact Leslie Wills, Farm Loan Manager, at the Ottawa County FSA office.

<u>Address Changes</u> – FSA is now mailing county newsletters from a central site in Lansing. If you receive multiple newsletters at the same address, or you are not interested in the material provided, <u>*please*</u> let FSA know so that the necessary corrections can be made to future mailings. If you know someone who would benefit from this newsletter, please have them contact FSA.

#### Non-Discrimination Statement

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202.720.2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call 800.795.3272 (voice) or 202.720.6382 (TDD). USDA is an equal opportunity provider and employer.

