

September 2016



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Michigan FSA Newsletter

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To find contact information for your local office go to www.fsa.usda.gov/mi

State Director Note

As Michigan transitions into fall, be mindful of the September FSA program deadlines for forages, fall seeded grains, trees, turf and floriculture. See our new and improved "Just Around the Corner" section for more details.

If you are working on storage for your farm products for the fall and winter, you may be interested in programs such as a Non-Recourse Marketing Assistance Loan (MAL) or Farm Storage Facility Loan (FSFL).

As always, check with your local office to discover what programs are available for your farm or ranch business and verify program deadlines.

Just Around the Corner

Sept. 30: NAP sales closing date for fall seeded crops and perennial forages/grazing crops

Nov. 7: County Office Committee election ballots mailed to producers in Local Administrative Areas up for election

Nov. 15: Certification Deadline for 2017 fall-seeded small grains (including wheat) and perennial forage

Nov. 20: NAP Application Sales Closing Date for 2017 NAP perennial crops

Dec. 1: NAP Application Sales closing date for Honey and Maple Sap

Dec. 5: County Office Committee election ballots due

Dec. 16: enrollment period ends for calendar year 2017 Margin Protection Program (MPP) for Dairy

USDA Offers New Loans for Portable Farm Storage and Handling Equipment

Portable Equipment Can Help Producers, including Small-Scale and Local Farmers, Get Products to Market Quickly

USDA's Farm Service Agency (FSA) will provide a new financing option to help farmers purchase portable storage and handling equipment. The loans, which now include a smaller microloan option with lower down payments, are designed to help producers, including new, small and mid-sized producers, grow their businesses and markets.

The program also offers a new "microloan" option, which allows applicants seeking less than \$50,000 to qualify for a reduced down payment of five percent and no requirement to provide three years of production history. Farms and ranches of all sizes are eligible. The microloan option is expected to be of particular benefit to smaller farms and ranches, and specialty crop producers who may not have access to commercial storage or on-farm storage after harvest. These producers can invest in equipment like conveyers, scales or refrigeration units and trucks that can store commodities before delivering them to markets. Producers do not need to demonstrate the lack of commercial credit availability to apply.

Earlier this year, FSA significantly expanded the list of commodities eligible for Farm Storage Facility Loan. Eligible commodities now include aquaculture, floriculture, fruits (including nuts) and vegetables, corn, grain sorghum, rice, oilseeds, oats, wheat, triticale, spelt, buckwheat, lentils, chickpeas, dry peas sugar, peanuts, barley, rye, hay, honey, hops, maple sap, unprocessed meat and poultry, eggs, milk, cheese, butter, yogurt and renewable biomass. FSFL microloans can also be used to finance wash and pack equipment used post-harvest, before a commodity is placed in cold storage.

To learn more about Farm Storage Facility Loans, visit www.fsa.usda.gov/pricesupport or contact a local FSA county office. To find your local FSA county office, visit <http://offices.usda.gov>.

USDA Announces Safety Net Assistance for Milk Producers Due to Tightening Dairy Margins

May/June 2016 Average Margins Below \$6

USDA today announced approximately \$11.2 million in financial assistance to American dairy producers enrolled in the 2016 Margin Protection Program for Dairy (MPP-Dairy). The payment rate for May/June 2016 will be the largest since the program began in 2014. The narrowing margin between milk prices and the cost of feed triggered the payments, as provided for by the 2014 Farm Bill.

Dairy producers should evaluate their enrollment options for 2017, as the enrollment period ends Dec. 16, 2016.

Dairy producers who enrolled at the \$6 through \$8 margin trigger coverage level will receive payments. MPP-Dairy payments are triggered when the national average margin (the difference between the price of milk and the cost of feed) falls below a level of coverage selected by the dairy producer, ranging from \$4 to \$8, for a specified consecutive two-month period. All final USDA prices for milk and feed components required to determine the national average margin for May/June 2016 were released on July 29, 2016.

The national average margin for the May/June 2016 two-month consecutive period is \$5.76277 per hundred weight (cwt.).

State specific payment amounts can be found at www.fsa.usda.gov/dairy.

To learn more about the Margin Protection Program for dairy, visit the Farm Service Agency (FSA) online at www.fsa.usda.gov/dairy or stop by a local FSA office. Producers may visit www.fsa.usda.gov/mpptool to calculate the best levels of coverage for their dairy operation. To find an FSA office near you, visit <http://offices.usda.gov>.

USDA Climate Hub Building Block: Conservation of Sensitive Lands

USDA Climate Hubs are working with producers, ranchers, pasture and forest landowners to effectively partner in ways to help reduce climate change. To aid in this partnership, USDA established the 10 Building Blocks for Climate Smart Agriculture and Forestry.

One such Building Block is the “Conservation of Sensitive Lands”. The term “sensitive lands” denotes soils and landscapes that are valuable due to properties (e.g., high organic matter, wet hydrology) and/or function (e.g., wildlife habitat, filtration, and hydrologic storage). Typical examples of these soils are organic rich histosols, floodplains, or wetlands along riparian areas. Properties and functions of these soils are easily disrupted from agricultural or urban land use.

Sensitive lands that are used for agricultural production can be protected by changes in land use (long-term cover). This reduction in land use intensity can provide multiple environmental benefits, including substantial greenhouse gas (GHG) mitigation that occurs as carbon is sequestered or preserved in soils and vegetation. When land is removed from crop production, several activities—including tillage, nitrogen fertilization, and energy use—are substantially reduced or eliminated, generating additional GHG mitigation.

FSA and NRCS are committed to identifying these sensitive lands and encouraging landowners, farmers, and ranchers to voluntarily adopt conservation systems--using financial and technical assistance--to generate GHG benefits. To read more about Conservation of Sensitive Lands, click the following link:

http://www.usda.gov/oce/climate_change/building_blocks/4_SensitiveLands.pdf.

For more information about the USDA Climate Hubs click here: <http://www.climatehubs.oce.usda.gov/>.

September 2016 Interest Rates

3 yr. FSFL: 0.875%

5 yr. FSFL: 1.125%

7 yr. FSFL: 1.375%

10 yr. FSFL: 1.500%

12 yr. FSFL: 1.625%

Crop Year 2016 MAL: 1.500%

USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).