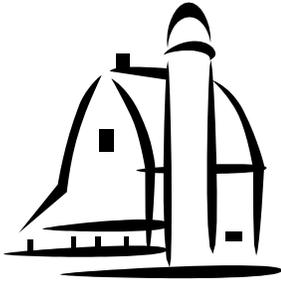


Alpena-Alcona-Montmorency County Farm Service Agency Newsletter

April 2012



ALPENA-ALCONA-
MONTMORENCY USDA
SERVICE CENTER

**Alpena-Alcona-
Montmorency County
FSA:**

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Hours:

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

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Daniel Smolinski
Louella Byelich

Staff:

Michelle Katona, PT
Janet Marwede, PT
Desiree Compeau, PT
Kay Lumsden, CED
Betty Garrett, FLM



FSA Moving to Electronic Newsletters...

Due to budgetary shortfalls, newsletters and program reminders will now be provided electronically instead of sending hard copies through the mail. Since FSA is trying to work smarter, and be more efficient, we are moving to electronic notifications via email which will help conserve resources and save taxpayer dollars. In order to stay informed of program information and deadlines, producers are encouraged to enroll in the new 'GovDelivery' system at your local FSA office. Don't forget to tell your neighbors.

If you do not have an email address, please view the local newsletter at www.fsa.usda.gov/mi ...Click on "newsletters" (on left hand side), and then click on your county name. OR, stop by your local office and pick up a copy.

Crop Year 2012 Reconstitutions

In program terminology, farms are constituted to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution may be necessary. The reconstitution - or recon - is the process of combining or dividing farms or tracts of land based on the farming operation. To be effective for the current year, recons must be requested by August 1st for farms enrolled in DCP and ACRE.

A recon must have the concurrence and signature of the owner, or owners, on the farm involved. If a DCP or ACRE contract already exists, a recon cancels it and another has to be initiated.

Remember, for FSA to better serve you, please request your recon as soon as you are aware there will be a change.

Farm Operating Changes in 2012?

Inform the FSA office of 2012 farm record changes prior to signing up for DCP and ACRE.

Changes requiring FSA notification are:

- dropping or picking up rented farmland
- buying or selling land
- modifications in crop share arrangements
(Note: New leases will be required for cash rented farms)
- address changes
- cropland removed for housing or barns
- farm operating plan (eligibility) adjustments - such as creating a trust, partnership, LLC, corporation, or modification of members shares within an entity

This information is also needed to transfer CRP contracts to new owners.

It is critical these changes are addressed as soon as you are aware and before your program sign-up appointment. This will help eliminate additional trips to FSA and unproductive time in the office. Current records make signup more accurate and efficient.

Acres Reporting

Don't forget to report your crops after you get them planted. The deadlines for crop year 2012 acreage certification are the following:

- June 30th - fall seeded crops (i.e. wheat, rye, etc)
- July 15th - spring seeded crops (i.e. corn, oats, barley, soybeans, dry beans, etc)

NOTE: A change in the reporting deadline for forage and fall-seeded small grains is coming for crop year 2013...these reports will be required to be filed by November 15, 2012.

2012 Dates to Remember

The following are important deadline dates for producers for the 2012 crop year:

May 31st Final date to request a loan (or LDP) on 2011 feed grains and oilseeds (*corn & soybeans*)

June 1st Deadline to apply for 2012 Direct and Counter-Cyclical Program (DCP) or ACRE Election

June 1st Deadline to apply for 2010 Supplemental Revenue Assistance Program (SURE)

June 4th Deadline to report prevented planting sugar beets

June 20th Deadline to report prevented planting corn

June 30th Deadline to certify fall-seeded small grains (*wheat*)

June 30th Deadline to report prevented planting soybeans

July 15th Deadline to certify all spring planted crops & CRP, except fall-seeded small grains

July 15th Deadline to file 2011 FSA-658, Record of Production, on farms enrolled in ACRE

August 1st Deadline to request 2012 crop year reconstitution

September 30th Deadline to apply for Milk Income Loss Contract Program (MILC)

October 20th Deadline to report prevented planted wheat for 2013 crop year



****NEW Date to remember for 2013 Crop Year****

November 15th: Deadline to certify fall-seeded small grains, including winter wheat AND perennial forage (alfalfa and alfalfa mix)

Buying or Selling Land?

If you're buying or selling farmland, be aware of some program consequences. Here are some examples of situations FSA commonly encounters:

Selling Land with CRP Contract:

If you're planning to sell land enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment or the **seller** (as the contract holder) may have to refund all payments received to date. Be advised to address this issue prior to a land sale agreement or land auction.

Land Enrolled in ACRE:

Also, land currently enrolled in the ACRE program must remain in ACRE after a sale has taken place.

Reviewing program implications with the Farm Service Agency staff before completing a sale of farmland is always a sensible precaution.

Land Leases

Copies of leases supplied to FSA and used for DCP or ACRE program sign-up must include the following information:

- Signature dates
- Length of lease (if multiple year lease, list number of years)
- Must have land owner and operator's names printed, along with signatures
- Type of lease (i.e. cash rent, share rent, etc)

It is also very helpful to list township, section, and acres. FSA cannot provide any type of leasing statements or templates of leases to producers. It is the producer's responsibility to supply rental agreements.

Banking Changes?



Please notify our office if you make any changes to your banking account. This would include closing your own account, closing the account for a deceased relative, changing the account the deposit goes into, bank mergers, and routing number or account number adjustments. Attempting to make direct deposits into closed accounts will often cause long delays in the payment process.

Promptly provide the county office with this information to avoid payment delay.

DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment runs from Jan. 23, 2012 through June 1, 2012. Here are some **IMPORTANT REMINDERS:**

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Changes on the farm after enrolling June 1st in DCP/ACRE **must** be reported to your local FSA office such as:
 - Ownership changes
 - Producer changes (Individuals and Entities)
 - Change in crop shares arrangements
- There are no advanced payments for 2012; the entire DCP payment will be disbursed in October



Note: Changes cannot be made after Sept. 30, 2012.

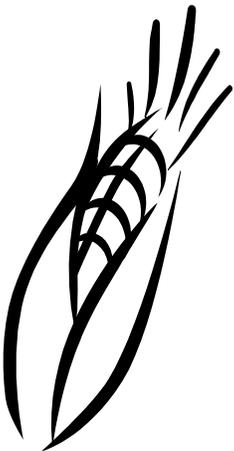
COMMODITY LOANS

Commodity loans are an excellent marketing tool for producers with eligible commodities to utilize. Commodity loans are available for harvested eligible commodities that are being stored in an eligible farm storage facility or an approved warehouse until it is sold. A commodity loan can also be utilized on eligible commodities being fed with the arrangement of monthly payments. The loan rate for corn is different if it is being stored as anything other than grain. A loan quantity can be certified by the applicant, or the applicant can pay for a measurement service to be performed by the County Office. Any warehouse stored loans will be required to provide a warehouse receipt at the time the loan is requested. All commodity loans mature 9 months from the issue date. The interest rate is set at the first of every month and was 1.125% for April, 2012.

The final availability dates for 2011 crop loans are March 31, 2012 for Wheat, Barley & Oats, and May 31, 2012 for Corn, Soybeans, and Sunflower Seed (for oil). The loan rates for 2011 crops are as follows:

Barley	\$1.80/bu
Corn	\$1.77/bu
Oats	\$1.38/bu
Soybeans	\$4.86/bu
Wheat	\$2.03/bu (Soft Red Wheat), \$2.18/bu (Soft White Wheat)
Sunflower Seed	\$8.52/cwt

Farm Loan Programs



The Farm Service Agency offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth loans, loans to Beginning Farmers and loans for Socially Disadvantaged applicants are also available through FSA.

To find out more about FSA loan programs, contact your local FSA County Office.

Wetland Provisions

Potential violations of the wetland rules include bringing new land into production by clearing trees (including fence rows) or improving drainage by tiling or dredging. **Before you BEGIN any of these projects, you need to fill out form AD-1026.**

Natural Resources Conservation Service (NRCS) will complete a certified evaluation of the tract to determine if there are areas that are wet and highly erodible. This process takes *at least* 60 days to complete. NRCS will notify you by mail of the results.

With the new mapping system, updated imagery clearly shows where land has been cleared or drained. The penalty for a wetland violation can be loss of **All** USDA benefits back to the year of conversion. By checking with our office before you start a project, you can remain in compliance and avoid the penalties. Plan ahead, sign form AD-1026 and get your determination completed before clearing trees and/or tiling.



Milk Income Loss Contracts (MILC)...payments are BACK!!

It's been a while since MILC payments were made. Therefore, this is a notification to all Dairy Producers to **bring in your milk stubs** for February's production (that would be your milk check from the middle of March). Your local FSA office receives the payment rate a month in the rear. So we received February's MILC payment rate on April 1st, which is \$0.3895043/cwt. On May 1st we will receive the payment rate for March's production (if there is one).

For producers who are already signed into a MILC and wishes to change the start month, they must do so on or before the 14th of the month before the month they currently have chosen. For example, if the current start month is May, 2012, and the producer wishes to change the start month to June, 2012, the change must be made on or before April 14, 2012.

Milk producers that are not already signed up may still do so at any time before the program end date, which is September, 2012, by visiting the local FSA office.

The annual maximum eligible pound limit per dairy operation per fiscal year is as follows:

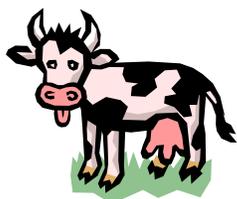
October 1, 2008 – August 31, 2012: 2,985,000 lbs

September, 2012: 2,400,000 lbs

FSA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class 1 price for that month from the \$16.94 baseline price, and multiplying the difference by:

45% during the period October 1, 2008 – August 31, 2012; or

34% during the period October 1, 2007 – September 30, 2008, and during September, 2012



The baseline price of \$16.94/cwt can also be adjusted due to high feed prices. If the National Average Dairy Feed Ration Adjustment (NADFR) is greater than the following established levels, then it could possibly kick out a MILC payment as well:

\$7.35 during the period of January 1, 2008 – August 31, 2012

\$9.50 during the period of September, 2012



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To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.