



January 2009



# Antrim/Otsego County News

Antrim-Otsego County  
USDA Service Center

Antrim-Otsego County  
FSA

108 Depot Street  
Bellaire, MI 49615  
231-533-8542 (phone)  
231-533-6689 (fax)  
www.fsa.usda.gov/

Hours  
Monday – Friday  
8:00 a.m. – 4:30 p.m.

County Committee  
Mark White, Chairperson  
Barbara Fleming, Vice-  
Chairperson  
Roger Bolhuis, Member  
John Makarewicz, Member  
Deborah Milbocker,  
Member

The County Committee  
meets the second Friday  
of each month.

County Executive Director  
Kathy Y Kozlowski

Farm Loan Manager  
James Monroe  
231-941-0951 (phone)

County Office Staff  
Kathy Johnson  
Kari Tipton



## DCP Signup Underway

Signup has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can signup online or at local USDA service centers. Signup will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at [www.fsa.usda.gov/dcp](http://www.fsa.usda.gov/dcp). To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm.

Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring.

You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program

Once ACRE is elected for the farm it will remain enrolled in ACRE for the duration of the 2008 Farm Bill, regardless of owner/operator changes.

## MILC Sign Up Underway

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits. For more information on the MILC program, contact your local USDA Service Center.

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## Looking For a Farm Loan?

FSA provides financial assistance and business planning. Farmers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order.

**Loans to Beginning Farmers and Ranchers.** FSA provides direct and guaranteed loans to beginning farmers and ranchers who don't yet meet the qualifications to obtain financing from a traditional lender. Each Fiscal Year, the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to beginning farmers and ranchers. A beginning farmer or rancher is an individual or entity (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility criteria requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO purposes, does not own a farm greater than 30 percent of the median size farm in the county. All applicants for direct FO loans must have operated a farm for at least 3 years.

**Rural Youth Loans.** Through the Rural Youth Loan Program, FSA provides financial and business planning assistance that help rural youth get a start on their futures. Operating loans are available to individual rural youths age 10 through 20 to establish and operate income producing projects. The Youth Loan Program is designed to provide start-up funds to establish and operate income producing projects of modest size in connection with participation in 4-H clubs, FFA and similar agriculturally-focused organizations.

Each project is designed to be part of an organized and supervised program of work. The project is to be planned and operated with the help of an adult or project advisor. It should provide the youth with practical business and educational experience, and produce sufficient income to repay the loan.

### Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis (YEA) to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained. The office will contact you for the data you will need to assist us.

## Conservation Reserve Program – SAFE

Continuous Conservation Reserve Program for Antrim County. The State Acres for Wildlife Enhancement (SAFE) signup started July 1, 2008. The CRP SAFE project provides diverse sources of nectar and pollen along with bare soil patches for ground nesting pollinators. Bees, butterflies, moths and other pollinators will benefit from this new CRP practice. The contracts run 10 to 15 years and provide annual rental payments as well as signing incentives, cost-share and practice incentives. The land must have been annually planted 4 out of the 6 years 1996 – 2001 or be part of a working orchard or vineyard.

There is a 2.0 acre or 100 feet minimum requirement for enrollment into this practice.

22 counties along Lake Michigan are eligible for this program. There is a 2,500 acre statewide limit for enrollment into this program.

## Crop Disaster Program

Applications are still being accepted for losses incurred due to quantity and/or quality. To be eligible under the quantity, you must have suffered at least a 35 percent loss in production. To be eligible under quality, you must have suffered at least a 25 percent loss in quality.

If you are interested in applying under the quality part of CDP, you may now bring in verifiable documentation to show loss of quality and reduction in price. You also have the option to provide copies of market contracts which may show a higher price than the CDP price established. Only applications that had the crop insured through Risk Management (RMA) or Non-insured Disaster coverage (NAP) are eligible to receive benefits. **The deadline to submit an application and all required documentation is February 27, 2009.**

## Customer Statement

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week. It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

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## **Noninsured Crop Disaster Assistance Program**

USDA's Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters.

NAP is available on those crops for which Catastrophic (CAT) insurance is not available. Coverage for NAP is 50% of your actual yield at 55% of the established price.

The cost of coverage is \$250.00 per crop up to \$750.00 per county or \$1,875 per producer for all counties. Please note that the cost of coverage has increased from previous years.

The 2009 NAP sales closing dates on most annually planted crops is March 15, 2009.

It is a requirement, for producers who wish to participate in 3 of the 5 Supplemental Disaster Programs, to have crop insurance or NAP coverage on all crops. Contact your local office for details regarding the Supplemental Disaster Programs.

Reminders to NAP participants:

- Submit your 2008 production records when received, in order to keep your records updated.
- File a notice of loss within 15 days from an apparent loss/damaging weather event.
- Timely file acreage reports
- Notify the office of changes to orchards such as new plantings or removed trees.
- If you have any acreage that you will not harvest due to damage by a disaster condition, you must contact the office for an appraisal of the acreage before destruction. Failure to do so will result in loss of program assistance.

## **Special Accommodations**

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone.

## **Power of Attorney**

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, please contact our office or any Farm Service Agency office near you for more information.

## **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holding to the Secretary of Agriculture. The Farm Service Agency Administers this program for USDA.

Foreign persons who have purchased or sold land in the county are required to report transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

## **Controlled Substance**

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

## **Bank Account Changes**

Current policy mandates that FSA payments be electronically transferred into your bank account. In order for payments to be made, producers need to notify the FSA county office if your account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

## **Appeal Process**

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree.

Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

## **Farm Changes and Reconstitutions**

It is very important to report changes to us as soon as possible. A change in ownership or operator needs to be done prior to signing into any programs for the year the change occurs. In some cases, a reconstitution is required if it involves adding land or taking farms out of your farm unit. This will cause a delay in signup activity so it is important to notify the county office as soon as these changes occur.

### County Committee Elections Results

Congratulations to Mark White and Barbara Fleming!

Mark was re-elected to the County Committee to represent farmers from Local Administrative Area #3: Custer, Elk Rapids, Forest Home, Helena, Kearney and Milton Townships.

Barbara was re-elected to the County Committee to represent farmers from Local Administrative Area #4: Bagley, Elmira, Hayes, Livingston and Otsego Lake Townships.

Judith Estelle will serve as 1<sup>st</sup> Alternate for LAA #4.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

| Dates to Remember |   |
|-------------------|---|
| January 31        | Final Loan/LDP availability date for wool and mohair.       |
| February 16       | Office closed for the observance of Presidents Day.         |
| February 27       | 2005 – 2007 Crop Disaster Program Application Deadline.     |
| March 15          | Sales closing date for NAP Policies on Spring Seeded Crops. |
| Ongoing           | CRP SAFE Program Enrollment.                                |



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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.