

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/mi

Hours

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

County Committee:

Mark White, Chairperson
Barbara Fleming, Vice-
Chairperson
Members:
Roger Bolhuis
John Makarewicz
Anthony Prusakiewicz Jr.

County Committee meets
the second Friday of each
month at 9:30 am

County Executive Director

Kathy Y Kozlowski

Farm Loan Manager

James Monroe
231-941-0951 (phone)

Staff

Kathy Johnson
Kari Tipton



County Committee Elections

Congratulations to Roger Bolhuis and
Anthony Prusakiewicz Jr.

Roger received 34 votes and was re-elected
to the County Committee to represent
producers from Local Administrative Area
#1: Banks, Central Lake, Echo and Torch
Lake Townships.

Anthony received 37 votes and was elected
to the County Committee to represent
producers from Local Administrative Area
#5: Charlton, Chester, Corwith and Dover
Townships.

John Milbocker received 2 votes as a write
in and will serve as the 1st Alternate for
LAA #5.

We want to give a special thank you to
Deborah Milbocker for her many years in
serving on the County Committee. Serving
as a County Committee member is vital to
the successful implementation of programs
to our producers.

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

2010 DCP & ACRE Signup

Signup for the 2010 Direct and Counter-
cyclical Payment (DCP) Program has
begun. Signup in the ACRE option is also
available for those producers wishing to
do so. The deadline to signup for either
program ends June 1, 2010. FSA will not
accept any late-filed applications. Please
call for an appointment.

FSA computes DCP Program payments
using base acres and payment yields
established for each farm. Eligible pro-
ducers receive direct payments at rates
established by statute regardless of market

prices. For 2010, 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 below its target
price.

The optional ACRE Program provides a safe-
ty net based on state revenue losses and acts in
place of the price-based safety net of counter-
cyclical payments under DCP. A farm's
payment is based on a revenue guarantee
calculated using a 5-year average state yield
and the most recent 2-year national price for
each eligible commodity. For 2010, the 2-
year average price will be based on the 2008
and 2009 crop years.

An ACRE payment is issued when both the
state and the farm have incurred a revenue
loss. The payment is based on 83.3 percent
(85 percent in 2012) of the farm's planted
acres times the difference between the State
ACRE guarantee and the state revenue times
the ratio of the farm's yield divided by the
state expected yield. The total number of
planted acres for which a producer may re-
ceive ACRE payments may not exceed the
total base on the farm. In exchange for partic-
ipating in ACRE, in addition to not receiving
counter-cyclical payments, a farm's direct
payment is reduced by 20 percent, and mar-
keting assistance loan rates are reduced by 30
percent.

The decision to enroll in the ACRE Program
is irrevocable. The owner of the farm and all
producers on the farm must agree to enroll in
the ACRE. Once enrolled, the farm shall be
enrolled for that initial crop year and will
remain in ACRE through the 2012 crop year.

The June 1, 2010, deadline is mandatory for
all participants. USDA will not accept any
late-filed applications.

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 Office in person or by phone.

Biomass Crop Assistance Program

The Biomass Crop Assistance Program (BCAP) was established to offer financial assistance for producers or entities with the collection, storage, harvest and transportation (CHST) of eligible material for use in biomass conversion facilities.

Eligible material owners or producers who market eligible material to a qualified biomass conversion facility may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to the facility. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of MOUs with the qualified biomass conversion facility.

For more information, biomass conversion facilities and material owners or producers should contact the FSA county office or visit our website at: www.fsa.usda.gov

Rural Youth Loans

The U.S. Department of Agriculture's Farm Service Agency (FSA) makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. To find out more about FSA loan programs, contact the county office staff.

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.

Spousal Signature

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule. Spouses may not sign power of attorney forms on behalf of each other or sign on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities. Spouses must have a power of attorney on file or sign personally for claim settlements, such as promissory notes, and on security documents for price support loans.

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.

Supplemental Revenue Assistance Payments (SURE) Program

Signup for the SURE program began January 4, 2010. Applications are currently being taken for the 2008 crop year. An ending date for the 2008 sign up period has not yet been established.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses. The program takes into consideration crop losses on all crops grown by a producer nationwide. SURE provides assistance in an amount equal to 60 percent of the difference between the SURE farm guarantee and total farm revenue. The farm guarantee is based on the amount of crop insurance and Non-insured Crop Disaster Assistance Program (NAP) coverage on the farm. Total farm revenue takes into account the actual value of production on the farm as well as insurance indemnities and certain farm program payments.

To be eligible for SURE, producers must have suffered at least a 10 percent production loss on a crop of economic significance. In addition, producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

In addition to meeting the risk management purchase requirement, a producer must have a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary under a Secretarial Disaster Designation. Regardless of a Secretarial Disaster Designation, individual producers may also be eligible for SURE if the actual production on the farm is less than 50 percent of the normal production on the farm due to a natural disaster. For SURE, a farm is defined as all crops in which a producer had an interest nationwide.

For more information on the new SURE program, please contact the county office or visit the website at <http://www.fsa.usda.gov>.

Reporting Changes

It is important to remember to contact the office with any record changes that may have occurred. These changes would include, but are not limited to:

- Address – any contact information.
- Direct Deposit – to ensure payments are deposited correctly, it is imperative that any changes in bank account information are updated immediately.
- Development – any new parcels of land removed for houses or structures needs to be reported.
- Owner/Operator Changes – report any changes in land ownership, tenants or crop share arrangements.
- Reconstitutions – changes that requires farm combinations or separations due to sale of land or change in operators should be reported as soon as possible.
- Farm Operating Plan – any changes to the farming operation that may have an effect on “person” and/or “actively engaged” determinations.

Controlled Substances

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.

Adjusted Gross Income (AGI) Compliance

USDA has finalized a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that the IRS sends to USDA.

This agreement will ensure that payments are not issued to producers whose AGI exceeds certain income limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Individuals and Legal Entities who received or will receive an FSA program payment for 2009 or 2010 must:

Complete a CCC-927, Consent to Disclosure of Tax Information (Individual) or CCC-928, Consent to Disclosure of Tax Information (Entity) and submit it directly to IRS by June 15, 2010.

Failure to prove the written consent form to the IRS will result in non-compliance and may require refunding payments.

These forms are available at the office or can be found online at:
<http://forms.sc.egov.usda.gov/eforms/mainser/vlet>

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 agricultural land in the county are required to report the 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 the reporting requirement.

Marketing Assistance Loan

Marketing Assistance Loans (MAL) are 9 month commodity loans available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan – even if you regain beneficial interest.

Commodity loan eligibility also requires that you comply with conservation and wetland protection requirements; beneficial interest requirements, report how you use cropland acreage on the farm and ensure that the commodity meets CCC minimum grade and quality standards. For commodities to be eligible they must be produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed, or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical Program to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

If a commodity under loan is disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized disposition are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call the office before any commodity under loan is fed or sold.

The final loan availability date to request a wheat, barley or oat loan is March 31, 2010. Corn and Soybean have a final date of May 31, 2010. Please contact the office for other commodity loan information that may be available to you or to obtain loan rates.

**Commodity
 Loans and LDP
 Rates**

2009 Loan Rates:

Barley	\$1.67
Corn	\$1.78
Oats	\$1.32
Soys	\$4.87
Sunflowers	
Antrim	\$7.98
Otsego	\$7.90
Wheat	\$1.96

*Loans are for a nine month period.

Contact the office to check to if an LDP is available for other crops.

**Noninsured Crop Disaster Assistance
 Program**

USDA's Farm Service Agency's 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 yields at 55% of the established price.

The cost of coverage is \$250 per crop up to \$750 per county or \$1875 per producer for all counties. The 2010 NAP sales closing date on most annually spring planted crops is March 15, 2010.

Reminder to NAP participants:

- Submit your 2009 productions records.
- 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 acreage such as new or removed plantings.
- Any Acreage that will not be taken to harvest due to damage by a disaster condition must have an appraisal completed by the county office before destruction.

Dates to Remember	
Feb. 15th	Office Closed for Presidents Date
March 15 th	NAP and Crop Insurance sales closing date for 2010 spring seeded annual crops
March 31st	Final date to request wheat, barley or oat loan
May 31st	Final date to request corn or soybean loan
June 1st	DCP/ACRE signup closes
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program (SAFE)

Visit our Web site at:
www.fsa.usda.gov/mi

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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.