



November 2011

Issue # 01

**Antrim/Otsego County  
FSA  
USDA Service Center**

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  
Roger Bolhuis, Member  
John Makarewicz, Member  
Anthony Prusakiewicz Jr, Member  
Deborah Milbocker, Advisor

County Committee meets the  
Second Friday of each month at  
9:30 a.m.

**County Executive Director**

Kathy Y Kozlowski

**Farm Loan Manager**

James Monroe  
231-941-0951 (phone)

**Staff**

Kathy Johnson, Program Tech.  
Kari Tipton, Program Tech.



**Be sure to cast your  
ballot for County Com-  
mittee Election. Your  
vote counts!**

## County Committee Election

Since the committee system was first established in 1936, Farm Service Agency (FSA) County Committees have provided an important voice in Federal decisions affecting their local communities. The County Committee (COC) oversees local FSA operations and makes critical decisions on how FSA commodity, conservation, and disaster programs are administered in its communities.

Our County Committee is composed of five members, each serving a 3-year term. One or two members are up for election annually. In addition to the elected members, the COC has one appointed non-voting advisor to further represent the local interests of socially disadvantaged farmers.

This year County Committee elections are being held in Local Administrative Area (LAA) #3 which consists of Custer, Elk Rapids, Forest Home, Helena, Kearney and Milton Townships and Local Administrative Area (LAA) #4 which consists of Bagley, Elmira, Hayes, Livingston and Otsego Lake Townships.

Owners and operators of farming operations along with the spouse of farm owners are eligible to vote as long as the spouse is listed on the deed. If you farm in any of the named townships and would like to participate in the election, please contact the office for a ballot.

Ballots will be mailed on November 4<sup>th</sup> and must be returned to the FSA office or postmarked by December 5, 2011 in order to be counted. Please vote in this very important election, every vote counts.

**If you have not received a ballot and are an eligible voter in LAA #3 or LAA #4 please contact the FSA office so that one is made available to you.**

## NAP Coverage Deadline

Due to changes in program provisions it is even more important for producers to purchase insurance on their crops. The Non-Insured Crop Disaster Assistance Program (NAP) is available for 2012 crops for which catastrophic level crop (CAT) insurance is not available through FCIC.

NAP must be purchased by September 30<sup>th</sup> for small grains, forage crops, winter wheat, rye, barley, fall speltz and fall mint.

**November 20<sup>th</sup> is the deadline for 2012 perennial crops.**

**March 15<sup>th</sup>** is the NAP and FCIC application closing date for most 2012 spring seeded annual crops.

Contact the office for a complete list of NAP closing dates. The application fee for NAP crops is \$250 per crop; or \$750 per producer per administrative county, not to exceed a total of \$1,875 for a producer with farming interests in multiple counties.

If you carried NAP coverage on your crops for crop year 2011, please remember to provide your production records to the FSA office as soon as possible.

## Timely Filing of Loss

The CCC-576, "Notice of Loss", is used to report failed acreage, prevented planting, or low yields and may be completed by any producer with an interest in the crop. A Notice of Loss is required for ALL CROPS COVERED BY NAP INCLUDING GRASSES when the above instances occur. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) you must file a CCC-576 (notice of loss) in the FSA County Office within 15 days of the occurrence of the disaster, when losses become apparent or within 15 days after the normal harvest date of the insured crop.



## Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours. To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.



## 2010 Supplemental Revenue Assistance Program (SURE)

To be eligible for this program, producers must have purchased at least the catastrophic risk protection (CAT) level of crop insurance for all insurable crops and/or Noninsured Crop Disaster Assistance Program (NAP) coverage for non-insurable crops for the 2010 crop year. SURE is different from other disaster programs because it is **REVENUE BASED**.

For SURE, a "farm" is eligible when either:

- 1) A portion of the farm is located in a county covered by a qualifying natural disaster declaration or a contiguous county;
- 2) The actual revenue is less than 50% of the normal revenue.

**Note:** A "farm" refers to all crop acreage in all counties across the nation that a producer planted or intended to be planted for harvest for normal commercial sale or farm livestock feeding.

If farm eligibility criteria 1 or 2 is met, the producer must suffer a 10 percent revenue loss on at least one crop of economic significance on their farm in order to be eligible for SURE. A crop of economic significance is one that contributes at least 5 percent of the expected revenue for a producer's farm.

In the 2008 Farm Bill; in general, the term "farm" means the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer. In the case of aquaculture, the term "farm" means all fish being produced in all counties that are intended to be harvested for sale by the eligible producer. In the case of honey, the term "farm" means all bees and beehives in all counties that are intended to be harvested for a honey crop by the eligible producer.

Producers, who meet the definition of a Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher, do not have to meet the risk management purchase requirement.

The SURE guarantees for the farm 90% of the total expected farm revenue. SURE payments will be 60% of the difference between the SURE guarantee for the farm and the total farm revenue for the farm.

Signup will begin November 14, 2011 and will end June 1, 2012. More details on the 2010 SURE Program are available at county FSA offices or on line at [www.fsa.usda.gov](http://www.fsa.usda.gov)

## Farm Loan Reminders

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 has just recently mailed existing borrowers the forms needed to be completed and returned to meet this requirement. If you need assistance completing these forms, please call Julie at (231) 941-0951 x 109.

Producers are reminded that they are responsible for paying property taxes when due if their loans are secured with real estate. Recently, the office mailed a letter asking that proof of payment of 2011 real estate taxes be submitted to our office. If you have not yet submitted proof of payment for 2011 real estate taxes, please submit paid receipts as soon as possible. Please be sure the legal description on your tax statement and receipt accurately describes the real estate.

### **Operating Loan Applications Needed Now**

Farmers that plan to apply to the Farm Service Agency for annual operating loan assistance this year are encouraged to apply as soon as possible. The earlier an application for loan assistance is filed, the quicker the FSA staff can process your request. In addition, due to budget constraints, farmers that wait until later in the year to apply, often run the risk of finding out that our funding allocations have been utilized already. Farmers should also contact their FSA Farm Loan Manager for information as to what is required in order to have a complete loan application on file. Decisions on loans can not be made until a complete application is received.

Dates to Remember	
Nov. 14th	SURE signup begins
Nov. 21st	NAP sales closing date for 2012 perennial crops
Nov. 24th	FSA Office Closed for Thanksgiving Day
December 26th	FSA Office Closed for Christmas Day
January 2nd	FSA Office Closed for New Years Day
January 16th	FSA Office Closed for Martin Luther King Jr. Birthday.
January 23rd	DCP/ACRE signup begins
March 15th	NAP and FCIC Insurance sales closing date for most 2012 spring seeded annual crops.

## FARM STORAGE FACILITY LOANS

Changes have been made to the FSFL program.

**Structures to store hay, renewable biomass, and fruits and vegetables are now eligible. Cold storage facilities are also eligible, but controlled atmosphere facilities are still not eligible.**

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan.

Interest rates for the month of November are 1.50% for a 7 year term, 2.00% for a 10 year term and 2.250% for a 12 year term.

The following commodities are eligible for farm storage facility loans:

- Corn, barley, oats soybeans, wheat, or minor oilseeds harvested as whole grain
- Corn, barley, oats, or wheat harvested as other-than-whole grain
- Hay
- Renewable biomass
- Fruits and vegetables

## 2012 DCP SIGNUP

Enrollment for the 2012 Direct and Counter-cyclical Program (DCP) will begin on January 23<sup>rd</sup> and continue through June 1, 2012. USDA urges producers to make use of the eDCP automated website to sign up, or producers can visit any USDA Service Center to complete their 2012 DCP contract.

USDA 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 2012, advance direct payments are not authorized.

The final payments that will be issued in October 2012 will be based on 85% of the farm's base acreage rather than the 83.3% rate of previous program years.

It is extremely important that to remain eligible for the DCP & ACRE programs that you certify your crops by the June 30, 2012 deadline for fall seeded small grain crops, and the July 15, 2012 deadline for all other crops.

## THE ACRE OPTION

The optional Average Crop Revenue Election Program (ACRE) provides a safety 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 2012, the 2-year price average will be based on the 2010 and 2011 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 85 percent 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 receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The ACRE program requires that enrolled producers annually provide production records for the previous crop year and certify your crops by the reporting deadline.

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 ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

Signup will begin January 23, 2012 and run through June 1, 2012.

## ON LINE SERVICES

Producers, if you have Internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows. You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at: <http://www.eauth.egov.usda.gov/> and then click on "Create an Account Page" link.

## FSA MOVING TO ELECTRONIC INFORMATION

The USDA Farm Service Agency offices are moving toward a paperless operation.

Producers are asked to enroll in the new Gov-Delivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Interested producers may subscribe to receive e-mail updates by going to the USDA GovDelivery sign-up page found at the following web address:

<http://www.fsa.usda.gov/subscribe>



## 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. Foreign persons who have purchased or sold 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.

## ANNUAL PAYMENT LIMITATION NOTICE

Payments for all FSA farm programs are governed by payment limitation and payment eligibility requirements. Payment limitations per person for 2012 are \$40,000 for Direct Payments (DCP); \$65,000 for Counter Cyclical Payments (DCP) and ACRE payments; \$50,000 for CRP; no limits for market gains and LDP's; \$100,000 for Disaster Assistance Programs; and \$100,000 for NAP.

## 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 this County Office in person or by phone at 231-533-8542 ext. 2.

## SUCCESSOR IN INTEREST

Many FSA programs will allow payments to be made to heirs or successors when a program participant passes away. Additionally, contracts in programs such as CRP must be revised to reflect the successor(s) to a deceased participant's interest. In the event of an FSA program participant's death, it is important that FSA be notified. Entities and joint operations that participate in FSA programs also need to notify FSA if a shareholder or member passes away. FSA benefits are reported to IRS and maintaining current, accurate records about participants is vital to ensuring that those payments are reported correctly.

## MARKETING ASSISTANCE LOANS & RATES

Marketing Assistance Loans (MAL's) are marketing tools available to producers beginning upon harvest. The MAL provides an influx of cash when market prices are typically at harvest-time lows, which allows the producer to delay the sale of the commodity until more favorable market conditions emerge. The final date to request a loan on 2012 small grains and honey is March 31, 2012 and May 31, 2012 for feed grain and oilseeds.

Barley	\$1.80
Corn	\$1.77
Oats	\$1.38
Soybeans	\$4.86
Sunflowers/Antrim	\$8.75
Sunflowers/Otsego	\$8.67
Wheat	\$2.18

The Commodity Loan Interest Rate for November 2011 is 1.125%



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To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.