



# NEWSLETTER



**Feb. 2014**

## USDA Service Center

### Arenac County

4490 M-61  
Standish, MI 48658  
989-846-4565

### Iosco County

190 M-55  
Tawas City, MI 48763  
989-362-3842

### Hours

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

### Arenac Committee

Karen Huber  
Ken Daniels  
Kevin Noffsinger  
Courtney Rolfe

### Iosco Committee

Chris Daniels  
Joe Vohwinkle  
Karen Curry  
Laura Anschuetz

### Office Staff

Diane Bartlett  
Melanie Barnes  
Ruth Gulvas  
Lyn Potts  
Jim Estes  
Joe Daniels  
Tim Stein

County Committee meetings are scheduled quarterly. Contact the Office to find out the date and time.

## County Committee Elections

Ballots for the 2013 election were counted at the County Committee January meeting.

Elected for Arenac County was Karen Huber. Iosco County voters re-elected Chris Daniels. Elected County Committee members serve three year terms.

We would like to thank Ed Stange for his 9 years of dedication as a member of the Arenac County Committee.

## Lease Requirements

Leases provided by operators must contain:

- The type of lease (cash, share, etc)
- Landowner name, signature, and date
- Farm operator name, signature, and date
- Length of lease (finite number of years)

## Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the latest acreage reporting date for crops in Michigan, for the following year. FSA requires that any production reported in a loss year be verified according to agency specifications. *NAP losses must be reported within 15 days of loss.*

## Controlled Substance

Any person 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.

## Marketing Assistance Loans (MAL)

Short-term financing is available by obtaining low interest commodity loans for eligible harvested production. A nine-month Marketing Assistance Loan provides financing that allows producers to store production for later marketing. The crop may be stored on the farm or in the warehouse.

Loans are available for producers who share in the risk of producing the eligible commodity and maintain beneficial interest in the crop through the duration of the loan. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for loss because of damage to the commodity and title to the commodity. Once beneficial interest in a commodity is lost, it is ineligible for a loan, even if you regain beneficial interest.

The deadline to request a grain loan is March 31, 2014, for wheat and oats and May 31, 2014, for corn, soybeans and sorghum.

## Farm Storage Facility Loans

The Farm Storage Facility Loan Program (FSFLP) allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now 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 each term rate may be different and are based on the rate which CCC borrows from the U.S. Treasury Department.

-Continued from previous page-

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

For more information about FSFL please visit your FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

### **Foreign Buyers Notification**

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

All individuals who are not U.S. citizens, and 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 (FSA-153) could result in civil penalties of up to 25 percent 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.

### **Farming Operation Changes**

Producers who have bought or sold land, or added or dropped rented land from their operation must report those changes to the FSA office as soon as possible. A copy of the deed or recorded land contract for purchase property is needed to maintain accurate records with FSA. Failure to do so can lead to possible program ineligibility and penalties. While making record updates, be sure to update signature authorizations. Making record changes now will save time in the spring.

### **Highly Erodible Land and Wetland Compliance**

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions is required. Farmers with HEL determined soils must apply tillage, crop residue, and rotation requirements as specified in their conservation plan.

Producers should notify FSA prior to conducting land clearing or drainage projects to insure compliance. This would include projects initiated by the drain commission or parties other than the landowner or operator. If you intend to clear any trees to create new cropland, these areas will need to be reviewed to ensure any work will not jeopardize your eligibility for benefits.

Landowners and operators can complete form AD-1026 Highly Erodible Land Conservation (HEL) and Wetland Conservation (WC) Certification to determine whether a referral to Natural Resources Conservation Service (NRCS) is necessary.

For more information on Highly Erodible Land and Wetland Conservation provisions, contact a FSA County Office or visit the FSA website at [www.fsa.usda.gov/](http://www.fsa.usda.gov/).

### **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 because of work schedules, distance, health, etc., FSA has a power of attorney form available that allows producers to designate another person to conduct business at the office. If interested, contact our office or any Farm Service Agency office for more information.

### **Bank Account Changes**

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

### **Appeal Process**

After an FSA official makes a decision on a request for USDA services or application, the producer will be sent a letter informing him/her of the decision and options that can be pursued.

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.

### **FSA Signature Policy**

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, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities. Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents. For more clarification on spousal signature authority, feel free to contact your local FSA office.

-Continued from previous page-

### **IRS 1099**

For calendar year 2013, producers whose total reportable payments from FSA were less than \$600 will not receive IRS Form 1099-G. Also, producers who receive payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties is \$600 or more. The same will apply to producers and vendors who normally receive IRS Form 1099-MISC from FSA.

### **Secretarial Disaster Designation**

Effective January 23, 2014 27 Michigan Counties were designated as natural disaster areas where eligible family farmers may qualify for Farm Service Agency emergency loans due to losses caused by excessive rain and cooler than normal temperatures that occurred during the spring of 2013. Included in this designation are Arenac and Iosco counties.

Emergency loan applications will be received through September 23, 2014. Producers interested in a possible emergency loan based upon the secretarial designation may contact the following:

- Arenac – contact Jerry Spickerman at (989) 772-5927
- Iosco – contact Larry Cleary at (231) 775-7681

### **Entity Change**

If you are a member of an entity that has a change in shares or in members don't forget to provide your new paperwork to the office.

**USDA IS AN EQUAL OPPORTUNITY EMPLOYER**