



February 2009



United States
Department of
Agriculture

Calhoun County News

**Calhoun County FSA
USDA Service Center**
13464 Preston Dr. Suite 100
Marshall, MI 49068
269-781-4263 ext. 2
269-781-3199 (fax)

Web Sites
www.fsa.usda.gov/
FSA Forms
<http://www.sc.egov.usda.gov>

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

County Committee
David Bosserd, Chairperson
Keith Lawrence, Vice-Chair
Rita Reincke, Member
Denice Raymond, Advisor

Staff
Kim Bates, Program Tech.
Bonnie Baxter, PT
Georgann Detty PT
Ellen Kiessling, PT
Sandy Williams, PT
Jerry Motz, Field Asst.
Phillip DeYoung, FLM
Elizabeth Lake, CED

Dates to Remember

Feb. 16 –President's Day, office closed.
Feb. 27 -05-07 Crop Disaster Program Application Deadline
Feb. 27-Lamb Referendum voting deadline.
Mar. 3-PTPP Deadline
Mar. 15-Deadline to purchase NAP coverage for spring-seeded crops.
Mar.31-Deadline to request '08-crop barley, honey, oat, or wheat loan or LDP.
May 25-Memorial Day, office closed.
May 31-Deadline to request '08-crop corn or soybean loans



DCP Sign-Up Underway

Signup for the 2009 Direct and Counter-Cyclical Program is going on now and runs through June 1, 2009. **Contact the Calhoun FSA Office to schedule an appointment.**

Unlike years past, late-filed applications will NO longer be accepted. You must sign up by June 1, 2009.

Planting Transferability Pilot Project (PTPP)

The 2008 Farm Bill provides for the development of a pilot project for Michigan to permit the planting of cucumbers, green peas, lima beans, pumpkins, snap beans, sweet corn, and tomatoes grown for *processing* on base acres during each of the 2009 through 2012 crop years. Michigan has a maximum of 9,000 base acres eligible for enrollment during the pilot year. DCP base acres on a farm for a crop year will be reduced by an acre for each acre planted under the pilot program. **SIGN UP STARTED FEBRUARY 3 AND ENDS MARCH 2, 2009.** Each offer in the State may be approved if the number of acres offered is equal to or less than 9,000. Otherwise, it will be determined by lottery. Contact the FSA office for further details.

Farm Reconstitution Rule Changes

The policy established in 2008 that prohibited farms having base acres of 10.0 acres or less from being combined with another farm **no longer applies**. Farm combinations may be approved if all other requirements are met. Farms that have total bases of 10.0 acres or less may combined and earn payments, **if all other reconstitution rules are met**.

Keep in mind, a farm with a total of 10.0 base acres or less is still ineligible to receive DCP payments during each of the 2009 through 2012 crop years unless wholly owned/operated by a limited resource or socially disadvantaged producer.

ACRE Program Sign-Up

Producers who are eligible for the DCP 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; or you may wait and elect to enroll in DCP and ACRE at the same time in the spring 2009.

Once ACRE is elected for the farm it will remain enrolled in ACRE for the duration of the 2008 Farm Bill, regardless of owner and/or operator changes. If you enroll a farm in ACRE in 2009, it will be in ACRE through 2012. The decision to enroll in ACRE is irrevocable.

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 the 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. The 2-year price average for the 2009 crop will be based on the 2007 and 2008 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% (85% 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 expected yield, divided by the State expected yield. The total number of planted acres for which a producer may receive ACRE payments cannot exceed the total base on the farm. A farm participating in ACRE will not receive counter-cyclical payments; the farm's direct payment is reduced by 20%; and the marketing assistance loan rates are reduced by 30%.

Milk Income Loss Contract (MILC) Program

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through September 30, 2012. This program compensates dairy producers when domestic milk prices fall below a specified level. FSA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted by the dairy feed ration adjustment. The monthly Boston price is posted online at:

http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_main_new.htm#Advance

FSA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 baseline price, and multiplying the difference by 45% during the period October 1, 2008 through August 31, 2012. 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.



The annual maximum eligible pound limit per dairy operation per fiscal year is 2,985,000 lbs from October 1, 2008 through August 31, 2012.

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.

Calhoun County Committee Election Results

Voters in Local Administrative Area 3, which includes Albion, Clarence, Clarendon, Eckford, Homer, Marengo, and Sheridan, elected *Keith Lawrence to serve a 3-year term on the County Committee*. Keith has served on the Committee for the past three years. Ben Hoyt was elected first alternate and Doug Leach was elected second alternate. *Thank you all for your participation!*



09 County Committee Meeting Dates

For 2009 the regularly scheduled meeting date for the Calhoun County FSA Committee is the 3rd Tuesday of each month. Meetings convene at 8:30 a.m. and are open to the public. This date is subject to change.

New Adjusted Gross Income Rules

The USDA announced changes to the Adjusted Gross Income (AGI) qualifications, which became effective in accordance with the 2008 Farm Bill. . The AGI limitation for commodity, price support and disaster programs was reduced from \$2.5 million AGI from all sources, to a three year average non-farm AGI of \$500,000. A person or entity will not be eligible if the non-farm AGI exceeds \$500,000. An individual or entity must also have a three-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for Direct payments issued under the Direct and Counter-Cyclical Program. The average nonfarm AGI limitation for conservation programs is \$1 million or less. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only, if 66.66% or more of the total AGI is derived from farming, ranching, and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

The three AGI limitations are as follows:

IF AVERAGE ADJUSTED GROSS...	THEN THE PERSON OR LEGAL ENTITY IS INELIGIBLE FOR...
Nonfarm income exceeds \$500,000	All commodity, price support, and disaster assistance program benefits.
Farm income exceeds \$750,000	Direct payments under DCP.
Nonfarm income exceeds \$1 million	All conservation program benefits, unless 66.66% or more of the average AGI was derived from activities related to farming, ranching, and forestry operations.

A worksheet is available in the FSA Office to assist producers in the completion of the AGI Statement (form CCC-926) for 2009 and future program years.

Payment Eligibility and Payment Limitation Provisions for 2009

The 2008 Farm Bill made changes to payment eligibility and payment limitation provisions to be implemented for the 2009 and future program years. Actively engaged in farming still requires the following:

- Significant contribution of capital, land, equipment, or combination thereof;
- Significant contribution of active person labor, active personal management, or combination thereof;
- Contributions must be commensurate with the claimed share of the profit or loss of the farming operation;
- Contributions must be at risk for a loss.

The landowner exemption still applies. A person or legal entity who is a landowner may be considered “actively engaged in farming” under the landowner exemption.

Each of the partners, stockholders, or members must make a contribution of active personal labor and/or active personal management to the farming operation that must be performed on a regular basis, identifiable and documentable, and separate and distinct from the contributions of any other partner, stockholder, or member of the farming operation. The contribution of the partners, stockholders and members must be significant and commensurate. The legal entity will make contributions to the farming operation that is at risk for a loss, with the level of risk being commensurate with the claimed share of the farming operation. The failure of any partner, stockholder, or member to meet this requirement will result in a reduction of payments to the payment entity commensurate with the ownership share held by that interest holder.

Any change to a farming operation that results in the increase in the number of persons or legal entities for payment limitation purposes must be bona fide and substantive. Contact the Calhoun FSA Office for further information.

2005 Through 2007 Crop Disaster Program

The deadline to apply for the Crop Disaster Program for losses sustained in 2005, 2006 or 2007 is **February 27, 2009**. Contact the Calhoun FSA Office for further information.

NAP Policy Holders

Producers must file a ***notice of loss*** with their local FSA office within 15 calendar days from the disaster occurrence or date damage to the specific crop acreage is apparent to the producer for yield losses or the final planting date for prevented planting. The notice of loss must be filed for *each* weather-related event or adverse natural occurrence that causes damage to or loss of the specific crop or commodity.

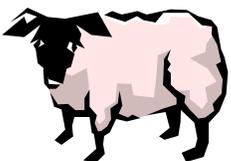
**MARCH 15, 2009 IS
THE DEADLINE TO PUR-
CHASE NAP COVERAGE
FOR SPRING-SEEDED
CROPS.**

You must report your production and acreage on a yearly basis to keep your yield up-to date. Records submitted must be reliable and verifiable. Records need to show crop disposition. It is recommended producers submit ALL NAP production records as soon as possible after harvest. ***All production records must be submitted by the subsequent crop year's final acreage reporting date.***

The ***NAP Basic Provisions*** is now available at FSA service centers as well as through the FSA web site located at <http://www.fsa.usda.gov> (after accessing the web site, CLICK “Disaster Assistance Programs.” On the Disaster Assistance Programs Home Page, CLICK “View NAP Basic Provisions” located under “I Want To...” ***This document provides general information*** on the NAP process for producers filing a 2009 or later CCC-471 (form used to request coverage for the NAP Program).

2008 NAP Buy-In and 2009 NAP refunds can be determined on a case-by-case basis. The 2008 Farm Bill created several new disaster programs under the title, “Supplemental Agricultural Disaster Assistance Program”. To be eligible for the disaster programs, producers were required to obtain NAP for any crop grazed, planted, or intended to be planted for harvest. If producers have crops intended for grazing or that is **not** economically significant they **may** be eligible for a refund of the administrative fee. If the fee on a crop is approved for refund the crop will **not** be part of the SURE guarantee and revenue calculation.

Lamb Promotion, Research, & Information Program (Lamb Checkoff Program)



The referendum will be conducted at the FSA office beginning February 2nd through February 27, 2009. Persons eligible to vote should obtain form LS-86 from a county FSA office either in person, by mail, fax or via the internet at:

<http://www.ams.usda.gov/lsmarketingprograms>. Person must vote in the referendum at the county office where their administrative farm records are maintained. Please contact your local FSA office for further details.

New Aerial Maps

PLEASE REVIEW THE BOUNDARIES ON THE NEW AERIAL PHOTOS THAT WERE MAILED TO YOU. IF YOU BELIEVE THEY ARE INCORRECT, NOTIFY OUR OFFICE AS SOON AS POSSIBLE. THESE WILL BE USED FOR FUTURE FARM PROGRAM PURPOSES, SO THEY NEED TO BE AS ACCURATE AS POSSIBLE. ALSO NOTIFY US IF YOU DID NOT RECEIVE MAPS THAT YOU THINK YOU SHOULD HAVE.



Loan Reminders

If you have an outstanding marketing assistance loan, make sure you continually monitor the storage structure to make sure it is secure and free of leaks **and** the commodity to make sure it is still in good condition.

If you need to move the commodity, or are planning to feed or sell some loan commodity, make sure you request authorization BEFORE you take any action.

We are ***NO LONGER ABLE TO ISSUE CHECKS FROM THIS OFFICE.*** If you bring in a check for a loan repayment and there is a balance, we will be unable to issue you a refund check while you wait. Checks are now issued from the Treasury Department's Kansas City facility. ***ANOTHER WAY TO HANDLE THIS SITUATION IS FOR THE BUYER TO CALL FSA, GET THE REPAYMENT FOR THE DELIVERED BUSHEL AND ISSUE TWO CHECKS, ONE TO CCC AND ONE TO THE PRODUCER.***

Emergency Farm Loans Available

USDA/FSA emergency farms loans are available in Calhoun County to all qualified farm operators as a result of losses caused by the following weather conditions:

<i>DISASTER DESCRIPTION</i>	<i>DATES OF DISASTER</i>	<i>FINAL DATE TO APPLY</i>
Storms with excessive rain	4/12/08 thru 9/16/08	8/31/09
Drought conditions	5/1/08 thru 9/17/08	8/19/09
Severe frost/freeze and cold	3/1/08 thru 5/31/08	8/31/09

Calhoun County producers should contact Phill DeYoung at 269-781-4263 ext. 2.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

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.

Special accommodations will be made upon request for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required, please contact Elizabeth Lake at 269-781-4263, ext 2.