



Calhoun County News

November 2009

Issue No. 4

**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
www.sc.egov.usda.gov
www.fsa.usda.gov/mi

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

Nov 11 –Office closed for Veterans Day
Nov 20 – NAP sales closing date for perennial crops
Nov 26 – Office closed for Thanksgiving
Dec 1 – NAP sales closing date for honey and maple sap
Dec 7 – Final date to return ballots for LAA 1
Continues – Farm Storage Facility Loans
Continues – Continuous Conservation Reserve Program & CRP-SAFE



Marketing Assistance Loan

A 9-month Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been 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 and/or ACRE Programs 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.

Crop	Loan Rate	Final Avail.
Corn	\$1.87/bu	May 31, 2010
Soybeans	\$4.94/bu	May 31, 2010
Soft White	\$2.06/bu	March 31, 2010
Soft Red Wht	\$1.87/bu	March 31, 2010
Oats	\$1.32/bu	March 31, 2010

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program 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 length may be different and are based on the rate which CCC borrows from the Treasury Department.

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.

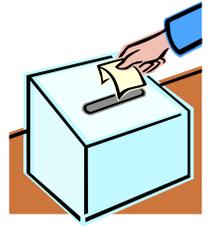
The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

County Committee Elections

Eligible voters in Local Administrative Area one (LAA 1), which includes *the townships of Bedford, City of Battle Creek, Convis, Emmett, Lee, Marshall and Pennfield* will be receiving a ballot around November 6. Please follow the directions on the ballot and return it to this office. It must be postmarked or returned to this office no later than December 7, 2009. Ballots will be counted December 14, 2009 at 9 a.m. in the conference room of this building.



David Bosserd, a farmer from Marshall Township currently represents this area and is eligible to run for another term. Write-in candidates are also acceptable, as long as the write-in is eligible to hold office in LAA 1. To hold office as a County Committee Member, a person must have an interest in a farming operation, be of legal voting age and reside in the area currently accepting nominations and conducting the election. The three-year term begins January 1, 2010.

Farm Reconstitutions

For FSA purposes, farms are “constituted” to group all tracts having the same owner and the same operator under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary. If an owner or operator cannot agree about program participation, like in the case of the ACRE program, then producers should inquire about a reconstitution of the farm at the local FSA office.

The reconstitution is the process of combining or dividing farms or tracts of land based on the farming operation. To be effective for the current year, recons must be requested by August 1 for farms enrolled in specific programs. If an advance payment has already been issued, it must be refunded before the reconstitution can be done.

Landowner Designation...In FSA recon jargon, the designation by landowner method is the division of bases in the manner agreed to by the parent farm owner and the purchaser or transferee. This method of division may be used when any of the following apply:

- Part of a farm is sold or ownership is transferred
- An entire farm is sold to 2 or more persons
- Farm ownership is transferred to 2 or more persons
- Part of a tract is sold or ownership is transferred
- A tract is sold to 2 or more persons
- Tract ownership is transferred to 2 or more persons.

Eligibility requirements in order to use the landowner designation...The land sold or transferred must have been owned for at least 3 years. And, the owner of the parent farm and the purchaser or transferee shall file a signed memorandum of understanding designating bases before either the farm is reconstituted or there is any subsequent transfer of ownership.

New Method for Processing Payments

With the passage of the new farm bill in 2008, changes were made with how eligibility is determined. Computer software changes were also made. These changes will affect anyone who receives program payments from the Farm Service Agency. Changes include:



- New Payment Statements are sent directly from Kansas City;
- Final direct payments for DCP will show reductions for advance payments made earlier this year;
- Advance payments will be totaled & subtracted from the first farms that are processed for the final payment;
- Once the advance payments are all accounted for, you will receive full payment on the subsequent farms;
- All payments will have a delay in processing to search for Federal debt;
- If you have an outstanding Federal debt, the payment will be applied to the debt;
- For Direct Deposit payments, your bank statement will show FSA TREAS 310 for payments made by FSA.

Your patience is appreciated as we learn these new systems for process the payments and get the “kinks” worked out.

Supplemental Revenue Assistance Payments (SURE) Program

This program replaces past ad hoc disaster programs for crops and is legislated through 2011. Payments are earned when there is a revenue loss on all of a producer’s farms combined. To be eligible, producers are required to have crop insurance or non-insured crop assistance (NAP) coverage on all crops, on all farms in the nation that are of economic significance. Economically significant is defined as a crop that is expected to contribute at least 5% of the farm’s income. For **SURE** to be available in a crop year, a county must have a "Secretarial" disaster declaration (or be contiguous to a disaster declared county) and the farm must suffer at least a 10% production loss on at least one crop, **OR** the actual production must be less than 50% of the

SURE cont. from pg.2...normal production. Revenue losses cannot be determined until after the market year average prices have been determined (June 1 for wheat; Sept. 1 for corn and soybeans). SURE payments equate to 60% of the difference between the guarantee and total farm revenue.



Calhoun County **did** have a Secretarial Disaster declaration for 2008; therefore, producers who obtained crop insurance or NAP coverage on all crops of economic significance will be eligible to apply for SURE when signup is announced. When sign up is announced it will be for 2008 crop losses only.

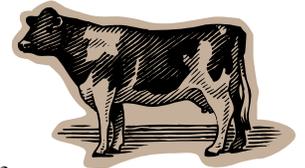
To assist farmers in evaluating their options with SURE, USDA has created a SURE Calculator. To utilize the Calculator, visit the website www.fsa.usda.gov/mi, and look under "Hot Links".

Please note that the calculator and instructions linked on the FSA website are for informational purposes only. This calculator in no way binds FSA to potential payments under SURE and should not be relied on as the sole source of information to make final management decisions.

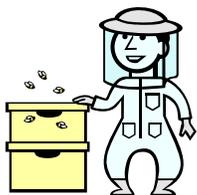
Emergency Livestock Assistance Program (ELAP)

ELAP provides compensation to eligible producers of livestock, honey bees, and farm-raised fish for losses due to disease, adverse weather, or other loss conditions, including losses due to blizzards and wildfires. Eligible producers under ELAP may receive assistance for losses that occur on or after January 1, 2008, and before October 1, 2011, during the calendar year in which the loss occurs. Eligible losses include feed losses, physical losses and additional costs incurred in providing feed to eligible livestock.

There are two parts to the ELAP application process, a notice of loss and an application for payment. An application for payment cannot be filed without a notice of loss. Signup, for producers with eligible losses during 2008 and 2009, began September 14, 2009. Producers who suffered losses in calendar year **2008** must provide a notice of loss and application for payment in their administrative county office no later than **December 14, 2009**. Losses from **Jan. 1, 2009 through Sept. 13, 2009** must provide a notice of loss by **Dec. 14** and an application for payment by **Jan. 30, 2010**. Producers who suffer losses **Sept. 14, 2009, through Dec. 31, 2009**, shall file a notice of loss **within 30 days** of when the loss is apparent to the participant, but no later than **January 30, 2010**.



There are no late filed provisions for ELAP. Producers with eligible losses must timely file an acreage report on grazing land acres, honey bee colonies and farm-raised fish pond acres.



Eligible physical losses of honey bees and honey bee hives, lost due to adverse weather or loss conditions are eligible under ELAP. Producers will be required to provide documentation of beginning and ending inventory of honey bee colonies when claiming a physical loss of honey bees or honey bee hives. **Physical losses will be compensated at 60 percent of the actual replacement cost of the honey bees or honey bee hives.**

Additional ELAP information is available at FSA county offices or on line at www.fsa.usda.gov.

Farm Loan Programs



The Farm Service Agency (FSA) offers loans for farmers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,112,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

For details about loan eligibility or the available loan programs Calhoun County producers can contact Phill DeYoung at 269-781-4263 ext. 2.

Targeted funding for the Kalamazoo, Black, and St. Joseph River Watersheds

The Kalamazoo, Black and St. Joseph River Watersheds in Michigan and Indiana has received targeted funding for water conservation and water quality improvements on agricultural working lands within the watersheds. The funding was made available through the USDA through the 2008 Farm Bill in a program called **Agricultural Water Enhancement Program (AWEP)**.



The goal of this project is to improve irrigation water utilization and system uniformity by 10%, monitor, evaluate, and improve water quality, and promote energy conservation efforts in the southeastern Lake Michigan watershed (190,000 acres) over 5 years.

The southeast Lake Michigan watersheds of the Kalamazoo River, the St. Joseph River, and the Black River encompass 21 counties in southern Michigan and northern Indiana, draining 6,992 square miles of primarily rural farmland. The **AWEP** is a five year program that will be available through Conservation Districts within the three watersheds, resulting in up to \$27 million of on the ground conservation practices.

.The agricultural water enhancement activities that may be implemented through the AWEP are practices identified by water quantity, water quality, sediment and nutrient management, pathogens, pesticides, fish and wildlife, greenhouse management, and energy conservation. All AWEP recipients must meet Environmental Quality Incentives Program (EQIP) requirements. Though participating AWEP producers do not need to have existing EQIP contracts, they must be eligible for EQIP and must be located within the Kalamazoo River or St. Joseph River watershed.

AWEP funding comes from the Environmental Quality Incentives Program (EQIP). The Natural Resources Conservation Service (NRCS) administers the program for USDA. NRCS implements AWEP by entering into EQIP contracts directly with agricultural producers.

For more information about the Kalamazoo, St. Joseph, and Black River Watershed AWEP visit www.macd.org or the Calhoun Conservation District located in the Calhoun County USDA Service Center.

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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.

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.