

December 2014



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## Michigan FSA Newsletter

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### Michigan Farm Service Agency

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Robert Walther, Member

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Dale Allen, Conservation

### USDA Extends Application Deadline for Dairy Margin Protection Program to Dec. 19

Dairy producers urged to act now to protect their businesses against unpredictable market swings, take advantage of increased protections offered in first year of program.

The application deadline for the dairy Margin Protection Program (MPP) will be extended until Dec. 19, 2014. The program, established by the 2014 Farm Bill, protects participating dairy producers when the margin – the difference between the price of milk and feed costs – falls below levels of protection selected by the applicant.

For just \$100, a farmer can cover 90 percent of production at \$4 margin swings, and with affordable incremental premiums, dairy farmers can cover up to \$8 margin swings. Those who apply this year will receive a slight increase in production protection that will not be available in the future. Farmers who do not sign up for the Margin Protection Program for 2015 will forfeit the 1 percent base production increase.

Producers can use the online Web resource at [www.fsa.usda.gov/mpptool](http://www.fsa.usda.gov/mpptool) to calculate the best levels of coverage

*Please contact your local FSA Office for questions specific to your operation or county.* for their dairy operation. They can type in specific operation data and explore price projections and market scenarios to determine what level of coverage is best for them. The online resource is on a secure website that can be accessed from computers, mobile phones or tablets, 24 hours a day, seven days a week.

To learn more about the Margin Protection Program for dairy, contact your local USDA Farm Service Agency county office at [offices.usda.gov](http://offices.usda.gov) or visit us on the Web at [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## USDA Provides Greater Protection for Fruit, Vegetable and Other Specialty Crop Growers

*Free Basic Coverage Plans and Premium Discounts Available for New, Underserved and Limited Income Farmers*

Greater protection is now available from the Noninsured Crop Disaster Assistance Program for crops that traditionally have been ineligible for federal crop insurance. The new options, created by the 2014 Farm Bill, provide greater coverage for losses when natural disasters affect specialty crops such as vegetables, fruits, mushrooms, floriculture, ornamental nursery, aquaculture, turf grass, ginseng, honey, syrup, and energy crops.

Previously, the program offered coverage at 55 percent of the average market price for crop losses that exceed 50 percent of expected production. Producers can now choose higher levels of coverage, up to 65 percent of their expected production at 100 percent of the average market price.

The expanded protection will be especially helpful to beginning and traditionally underserved producers, as well as farmers with limited resources, who will receive fee waivers and premium reductions for expanded coverage. More crops are now eligible for the program, including expanded aquaculture production practices, and sweet and biomass sorghum. For the first time, a range of crops used to produce bioenergy will be eligible as well.

To help producers learn more about the Noninsured Crop Disaster Assistance Program and how it can help them, USDA, in partnership with Michigan State University and the University of Illinois, created an online resource. The Web tool, available at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap), allows producers to determine whether their crops are eligible for coverage. It also gives them an opportunity to explore a variety of options and levels to determine the best protection level for their operation.

If the application deadline for an eligible crop has already passed, producers will have until **Jan. 14, 2015**, to choose expanded coverage through the Noninsured Crop Disaster Assistance Program. To learn more, visit the Farm Service Agency (FSA) website at [www.fsa.usda.gov/nap](http://www.fsa.usda.gov/nap) or contact your local FSA office at [offices.usda.gov](http://offices.usda.gov). The Farm Service Agency (FSA), which administers the program, also wants to hear from producers and other interested stakeholders who may have suggestions or recommendations on the program. Written comments will be accepted until Feb. 13, 2015 and can be submitted through [www.regulations.gov](http://www.regulations.gov).

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## New ARC/PLC Program Deadlines Rapidly Approaching

Have you contacted your local FSA Office to set up an appointment regarding the new 2014 Farm Bill programs? If not, be sure to call now!

Currently, program update and election periods are well underway and producers need to act now. Failure to make program updates and decisions now could mean missing important "one-time" opportunities.

Between **September 29, 2014** and **February 27, 2015**, producers have a rare opportunity to update program yields on each program farm, and reallocate base acres. If no formal action is taken before the deadline, current yield and base information will be retained.

Additionally, between **November 17, 2014** and **March 31, 2014**, producers may elect which of the three (3) farm programs to enroll in at a later date. The options include Price Loss Coverage (PLC), Agricultural Risk Coverage- County level (ARC-CO), and Agricultural Risk Coverage- Individual level (ARC-IC).

Do not delay! Contact your local office to begin this process now.

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## **USDA Reminds Farmers of 2014 Farm Bill Conservation Compliance Changes**

*The 2014 Farm Bill implements a change that requires farmers to have a Highly Erodible Land Conservation and Wetland Conservation Certification (AD-1026) on file.*

For farmers to be eligible for premium support on their federal crop insurance, a completed and signed AD-1026 certification form must be on file with the FSA. The Risk Management Agency (RMA), through the Federal Crop Insurance Corporation (FCIC), manages the federal crop insurance program that provides the modern farm safety net for American farmers and ranchers.

Since enactment of the 1985 Farm Bill, eligibility for most commodity, disaster, and conservation programs has been linked to compliance with the highly erodible land conservation and wetland conservation provisions. The 2014 Farm Bill continues the requirement that producers adhere to conservation compliance guidelines to be eligible for most programs administered by FSA and NRCS. This includes most financial assistance such as the new price and revenue protection programs, the Conservation Reserve Program, the Livestock Disaster Assistance programs and Marketing Assistance Loans and most programs implemented by FSA. It also includes the Environmental Quality Incentives Program, the Conservation Stewardship Program, and other conservation programs implemented by NRCS.

Many FSA and Natural Resource Conservation (NRCS) programs already have implemented this requirement and therefore most producers should already have an AD-1026 form on file for their associated lands. If however an AD-1026 form has not been filed or is incomplete then farmers are reminded of the deadline of June 1, 2015.

When a farmer completes and submits the AD-1026 certification form, FSA and NRCS staff will review the associated farm records and outline any additional actions that may be required to meet the required compliance with the conservation compliance provisions.

FSA recently released a revised form AD-1026, which is available at USDA Service Centers and online at: [www.fsa.usda.gov](http://www.fsa.usda.gov) . USDA will publish a rule later this year that will provide details outlining the connection of conservation compliance with crop insurance premium support. Producers can also contact their local USDA Service Center for information. A listing of service center locations is available at [www.nrcs.usda.gov/wps/portal/nrcs/main/national/contact/local/](http://www.nrcs.usda.gov/wps/portal/nrcs/main/national/contact/local/).

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## Youth Loans

The Farm Service Agency makes loans to youth to establish and operate agricultural income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

### Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the youth loan applicant, along with providing adequate supervision.

Stop by your county office for help preparing and processing the application forms.

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## Maintaining the Quality of Loaned Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

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## Unauthorized Disposition of Grain

If loan grain has been 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 dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

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## Important Dates to Remember

- **December 19th:** Deadline to register for 2014 and/or 2015 Margin Protection Program (MPP)
- **January 2nd:** Certification deadline for Honey
- **January 14, 2015:** Deadline for NAP Producers who missed 2015 application sales closing dates to elect "Buy-up" Coverage only on certain NAP crops
- **January 15, 2015:** Certification deadline for Apples, Blueberries, Cherries, Grapes, Peaches, Apricots, Asparagus, Caneberries, Chestnuts, Cranberries, Currants, Nectarines, Pears, Plums, Prunes, Rhubarb and Strawberries
- **January 30, 2015:** Deadline to request early CRP contract termination
- **January 31, 2015:** Deadline to request a 2014 commodity loan/LDP for Wool, Mohair, and

Unshorn Pelts

- **February 1, 2015:** NAP Application Sales Closing Date, 2015 NAP Onions
- **February 1, 2015:** Certification deadline for Maple Sap
- **February 27, 2015:** Deadline to update ARC/PLC yield history and/or reallocate base acres
- **March 15, 2015:** NAP Application Sales Closing Date, 2015 NAP annual crops
- **March 31, 2015:** Final date to make Program Election for ARC/PLC
- **Continuous:** Farm Loan applications may be accepted at any time.
- **Continuous:** Continuous Conservation Reserve Program offers may be made at any time.

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USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).