



January 2009

Delta-Schoolcraft-Alger-Marquette County News

Gladstone USDA Service Center

Delta-Schoolcraft-Alger-Marquette County FSA
2003 Minneapolis Ave.
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Gladstone, MI 49835
906-428-3361(phone)
906-428-1086(fax)
www.fsa.usda.gov/

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

County Committee
Jon Haindl
John Charles Bergdahl
Dave Bahrman
John Wolf
Diane Hanson

Staff
Donna Silta, CED
Bruce Stephenson, FLO
Bonnie Richmond, PT
Kristine Gallant, PT
Rita Mills, PT
Rachel Miron, PT
Mike Iho, Field Assistant



Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act 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.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form 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.

Bank Account Changes

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

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.

Selected Interest Rates for January 2009	
Farm Operating - Direct	3.0
Farm Ownership - Direct	4.875
Limited Resource	5.000
Farm Ownership - Direct Down Payment	1.5
Emergency	3.750
Farm Storage Facility	2.125
Commodity Loans 1996-Present	1.625

County Committee Election Results

The election results for **Local Administrative Area 1** are:

John Bergdahl was elected to represent producers in Marquette County.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members will hold their organizational meeting in January to determine who the Chairman and Vice Chairman will be for 2009.



Change in Farming Operation

If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring.

Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.



MILC Sign Up Underway

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. 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. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

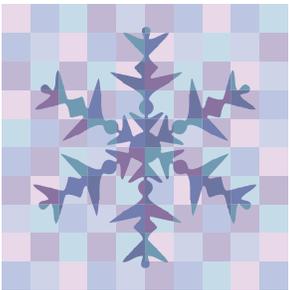


The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

Dairy producers can apply for MILC at their county FSA office. For more information on the MILC program, visit www.fsa.usda.gov.

Civil Rights/Discrimination Process

As a participant or applicant for programs or activities operated or sponsored by USDA you have a right to be treated fairly. If you believe you have been discriminated against because of your race, color, national origin, gender, age, religion, disability, or marital or familial status, you may file a discrimination complaint. The complaint should be filed with the USDA Office of Civil Rights within 180 days of the date you became aware of the alleged discrimination. To file a complaint of discrimination write USDA, Director, Office of Civil Rights, Room 326W, Whitten Building, 14th and Independence Avenue, SW, Washington DC 20250-9410 or call 202-720-5964 (voice or TDD), USDA is an equal opportunity provider and employer.



Payment Limits & Direct Attribution

For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI of \$500,000** is such that a person or entity shall not be eligible for such programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-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.

For conservation programs, the average non-farm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent 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.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Controlled Substance

Any person who is 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.



Looking For a Farm Loan?

FSA provides financial assistance and business planning. Farmers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order.

Loans to Beginning Farmers and Ranchers. FSA provides direct and guaranteed loans to beginning farmers and ranchers who don't yet meet the qualifications to obtain financing from a traditional lender. Each Fiscal Year, the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to beginning farmers and ranchers. A beginning farmer or rancher is an individual or entity (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility criteria requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO purposes, does not own a farm greater than 30 percent of the median size farm in the county. All applicants for direct FO loans must have operated a farm for at least 3 years.

Rural Youth Loans. Through the Rural Youth Loan Program, FSA provides financial and business planning assistance that help rural youth get a start on their futures. Operating loans are available to individual rural youths age 10 through 20 to establish and operate income producing projects. The Youth Loan Program is designed to provide start-up funds to establish and operate income producing projects of modest size in connection with participation in 4-H clubs, FFA and similar agriculturally-focused organizations.

Each project is designed to be part of an organized and supervised program of work. The project is to be planned and operated with the help of an adult or project advisor. It should provide the youth with practical business and educational experience, and produce sufficient income to repay the loan.

Year End Reviews

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 will contact you for the data you will need to assist us.

DCP Signup Underway

Signup has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can signup online or at local USDA service centers. Signup will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA 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 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month, if requested. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Producers who are eligible for the DCP Program 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 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/operator changes.

Changes to FSA Payment Processing

FSA deployed a new payment processing system in December.



Through the new system, all payments made through direct deposit will be processed through the Federal Reserve Bank and will be received in the participants account within 2-3 days of processing. For participants without direct deposit who receive payment by check, the U.S. Treasury will issue the payment and delays up to possibly 7 days should be expected. Be aware of the delays when tax preparation for 2008 or 2009.

******NEW******

We were just notified that Delta/Schoolcraft /Alger Marquette counties had Secretarial Disaster Declarations. Please contact the office for more information. The designation makes low interest loans available for 2008 crop losses.

Dates to Remember	
January 19	Birthday of Martin Luther King, Jr. – Office Closed
January 31	Final Loan/LDP availability date for wool and mohair.
February 16	President’s Day – Office Closed
March 15	Final Date to Purchase NAP Insurance



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.