



April 2010 Central U.P. News



Delta Area USDA Service Center

Delta-Schoolcraft-Alger-Marquette County FSA
2003 Minneapolis Avenue
Gladstone, MI 49837
906-428-3361 (phone)
906-428-1086 (fax)

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

County Committee
Jon Haindl
Allen Porath
John Bergdahl
Dan Bahrman
John Wolf
Diane Hanson, Advisor

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



COUNTY COMMITTEE ELECTIONS

Allen Porath was elected to serve a three year term on the Delta County Committee and John Wolf was re-elected to the Delta County Committee for a three year term.

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.

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 directly or by phone.

CRP CONTINUOUS SIGNUP

Offers for continuous sign-up are not subject to competitive bidding.

To be eligible for continuous CRP, a producer must have owned or operated the land for at least 12 months prior to submitting the offer. Exceptions to the rule include,

- if the new owner acquired the land due to the previous owner's death;
- the ownership change occurred due to foreclosure where the owner exercised a timely right or redemption in accordance with state law; or
- the circumstances of the acquisition present adequate assurance to FSA that the new owner did not acquire the land for the purpose of placing it in CRP.

Contact the FSA office for more information if you are interested in signing up.

ADJUSTED GROSS INCOME

USDA has a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. **Participants in CCC programs subject to average AGI rules must submit form CCC-927 (Individual) and/or CCC-928 (Legal Entity) to the Internal Revenue Service by June 15 to avoid interruption of program benefits.** These forms may be obtained from local FSA and NRCS offices or online at:

<http://forms.sc.egov.usda.gov/eforms/mainser/vlet>

The agreement ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

EMERGENCY LOANS AVAILABLE

Delta/Schoolcraft/Alger/Marquette Counties have been designated as a disaster county (either primary or contiguous) due to the following conditions:

Early Frost, Freeze and Excessive Rainfall that occurred August 1, 2009 and continuing /Freeze, frost, excessive snow, low temperatures, and cold weather that occurred January 1, 2009 and ending July 24, 2009/Excessive rain, flooding, flash flooding, hail, lightning, tornadoes, and high winds that occurred April 1, 2009 and ending September 1, 2009/Drought that occurred May 1, 2009 and continuing.



These designations may make qualifying family size farm operations eligible for low interest Emergency Loans (presently the interest rate is 3.75%). These loans help cover production losses caused by the disaster conditions.

SURE

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disaster that incurred in the crop years 2008 through September 30, 2011. To be eligible for SURE payments, a producer is required to obtain crop insurance on all crops in all counties or, if crop insurance is not available, to participate in the Non-Insured Assistance Program (NAP) except for grazed acreage. However, crop insurance or NAP coverage is no longer required for crops that are not of economic significance or those where the administrative fee required to buy NAP coverage exceeds 10% of the value of the coverage.



Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher are exempt from the risk management purchase requirement.

The following are the conditions that trigger SURE payments:



- at least one crop of economic significance must suffer a 10% production loss due to an eligible disaster condition (crop of economic significance is a crop that has contributed or would have contributed at least 5% or more of the total expected revenue from all crops on the farm)
- producers in counties declared disaster counties by the Secretary of Agriculture, or in contiguous counties, or those who show proof of an individual loss of at least 50% are eligible to receive SURE payments for crop production or quality losses. Losses are measured with consideration to the whole-farm revenue, which includes crop insurance indemnities and commodity program payments, so that producers are not paid more than once for losses.

FARM STORAGE FACILITY LOANS

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, soybeans and corn and **hay**. The seven-year Farm Storage Facility Loans are available for the purchase and installation of eligible storage facilities, permanently affixed drying or handling equipment, or remodeling existing facilities. Eligible facilities include new conventional-type cribs or bins and new and remanufactured oxygen-limiting and other upright silo-type structures. All Farm Storage Facility Loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. A minimum down payment is also required. For details, contact the county office staff.

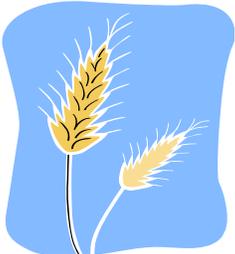
BCAP – On Hold Awaiting Comment Period Information

The Biomass Crop Assistance Program (BCAP) provides financial assistance to producers or entities that deliver eligible biomass material to approved biomass conversion facilities (BCF) for use as heat, power, bio-based products or bio-fuels. Initial assistance was for the collection, harvest, storage and transportation (CHST) costs associated with the delivery of eligible materials, but eventually the program will provide financial assistance to encourage the establishment of biomass, as well.

Once the BCAP final rule is published, we will once again accept applications. An application must be submitted and approved before the eligible material is sold and delivered to a BCF. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office.

2010 DCP Program Starts

The 2010 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres will continue until June 1, 2010. Call for an Appointment.



USDA 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 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. Those already signed up have already begun to receive advance direct payments. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is 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. Producers may first enroll in the DCP Program, elect to receive advance direct payments and then later modify their enrollment to include the ACRE program or they may wait and elect to enroll in DCP and/or ACRE at the same time in spring 2010.

The optional ACRE Program provides a safety net based on State revenue losses and acts in place of the price-based safety net of counter-cyclical payments under 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. For the 2010 crop, the 2-year price average will be based on the 2008 and 2009 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 percent (85 percent 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 yield divided by the State expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for partic-

ipating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent. The decision to enroll in the ACRE Program is **irrevocable**. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

BEGINNING AND LIMITED RESOURCE FARMER

The Farm Service Agency (FSA) provides direct and guaranteed loans to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. 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 25 percent of the average size farm in the county. All applicants for direct FO loans must have operated a farm for at least 3 years. Contact your Farm Loan Manager or Officer for more details and assistance in applying.

LOANS FOR THE SOCIALLY DISADVANTAGED

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.



Fax Signature Authority



(1 CM Rev 3 Par 680)
 If a fax option of delivery is used for FSA forms, a FSA-237, Facsimile Signature Authorization and Verification, form must be on file with the FSA County Office before the faxed form can be accepted. To obtain an FSA-237, please contact our local office

SPOUSAL SIGNATURES



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 important exceptions to the rule. Check with the county office staff for details.

| Dates to Remember | |
|-------------------|--|
| May 31 | Final availability for 2009 crop corn and soybean loans and LDPs |
| May 31 | Memorial Day – Office Closed |
| June 1 | Direct & Counter Cyclical/ACRE SIGN-UP DEADLINE |
| June 1 | Farm Changes DEADLINE |
| June 30 | Final date to certify fall seeded small grain crops |
| On going | Farm Storage Facility Loan |
| On going | Continuous Conservation Reserve program |

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, audiotope, 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.