



January 2012

**Serving: Delta,
Alger, Marquette,
and Schoolcraft
Counties**

**Gladstone
FSA Office**

**Mitchell M. Towne,
County Executive
Director**

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

Staff

**Bruce Stephenson
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**Kris Gallant
Program Technician**

**Rita Mills
Program Technician**

**Bonnie Richmond
Program Technician**

2011 FSA County Committee Election Results

Congratulations to Heidi Heidtman!
Heidi was elected to represent farmers from
Champion, Chocoday, Ely, Forsyth, Humbolt,
Ishpeming, Marquette, Michigamme,
Negaunee, Powell, Republic, Richmond,
Sands, Skandia, Tilden and West Branch on
the county committee. Heidi was elected to
her first term. The election results for Local
Administrative Area 1 are:

- **Heidi Heidtman**— Elected to the
county committee (COC),
- **Patricia Bergdahl** — 1st alternate to
COC,

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 the next quarter to
determine who will serve as the county
committee chairman and vice-chairman.

2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical
Program (DCP) enrollment will begin Jan.
23, 2012 and will end June 1, 2012. Here are
some IMPORTANT REMINDERS:

- All producers planting on **DCP base**
acres must be identified on the DCP/ACRE
contract and receive a proportionate share of
DCP/ACRE payment for the farm.

- Changes on the farm after enrolling June
1st in DCP/ACRE **must** be reported to your
local FSA office such as:

- Ownership changes
- Producer changes (Individuals and
Entities)
- Change in crop shares arrangements
- Changes cannot be made after Sept. 30,
2012.

**Note: There will be no DCP/ACRE
advance payment for 2012.**

Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 losses runs through
June 1, 2012.

The Supplemental Revenue Assistance
Program (SURE) provides benefits for farm
revenue losses due to natural disasters that
incurred in the crop year 2010. SURE is
available to eligible producers on:

- Farms in counties with Secretarial disaster
declarations, including contiguous counties,
that have incurred crop production or quality
losses, or both, and includes all crops grown by
a producer nationwide, except grazed crops.

- Any farm in which, for the crop year, the
actual production on the farm because of
disaster-related conditions is 50 percent or less
than normal production of the farm.

Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance
program (NAP) is a program that helps
producers reduce their risk when growing food
and fiber crops, specialty crops and crops for
livestock feed. These benefits are only
available for crops for which the catastrophic
level of crop insurance is not available.
Application for coverage must be filed by the
applicable crop's application closing date.

Production records for all crops must be
reported to FSA no later than the acreage
reporting date for the crop for the following
year. FSA requires that any production
reported in a loss year be verifiable according
to Agency specifications. *NAP Losses must be
reported within 15 days of loss.*



Lease Requirements for DCP and ACRE Contracts:

Leases must contain:

- The type of lease (cash, share, etc)
- Landowner name, signature, and date
- Farm operator name, signature and date
- Length of lease (list number of years with start date)

*A statement that allows the operator to combine the land with other land he/she works, is helpful (not required), especially if you plant dry beans or other Fruit and Vegetable (FAV) Crops.

FSA Adopting GovDelivery

The USDA Farm Service Agency offices are moving toward a paperless operation.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Producers can now subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

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.

LDPs for Unshorn Lamb Pelts

Eligible producers have until Jan. 31, 2012, to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2011 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in.

To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) 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.

All individuals who are not U.S. citizens, and 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 (FSA-153) 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.

Farming Operation Changes

If you have bought or sold land, or if you have added 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.

Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.



Appointments Recommended

We recommend you call to make an appointment before coming to the office to conduct business. This will enable us to prepare any necessary paperwork and research issues before your appointment. We realize how important your time is, and this will reduce the amount of time that you have to wait in the office.



Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

Customer Statement

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.

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.

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.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, contact any Farm Service Agency office near you for more information.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. For timely payments to be made, producers need to notify the FSA office if the 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.

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if your lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after October 1, 2011.

To find out more about FSA loan programs, contact the county office staff.

FSA Signature Policy

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 exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification on spousal signature authority, contact your local FSA office.

IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

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.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Farm Storage Facility Loan Program (FSFL)

Low cost financing for storage facilities is available for qualifying producers to build or remodel farm storage facilities for a variety of commodities, including wheat, soybeans, corn, hay, renewable biomass, and cold storage for fruits and vegetables. The interest rate used for the loan is set when the loan is approved.

Loan terms of 7, 10 and 12 years are available for the purchase and installation of new, eligible storage facilities, permanently affixed drying and handling equipment, or for new components used to remodel existing facilities. Eligible facilities include conventional type bins or cribs, new oxygen-limiting upright and bunker silos, new permanently affixed structures suitable for storing hay and renewable biomass, and new cold storage facilities suitable for storing the fruits and vegetables produced by the borrower.

Maximum Loan limit is \$500,000. A mortgage is required on all amounts over \$50,000. Sign-up is continuous, as long as funds are available.

Loan terms: \$100,000 or less = 7 years / \$100,000.01 - \$250,000 = 7 or 10 yrs/ \$250,000.01 - \$500,000 = 7, 10 or 12 yrs

Dates to Remember	
January 23	DCP/ACRE Sign-up Begins
February 20	Washington's Birthday -Office Closed
March 15	Sales closing date for Crop Insurance
May 31	Final date to request corn & soy bean loans.
June 1	DCP/ACRE Sign-up Closes
June 30	Crop Certification Deadline for Wheat and Small Grains
July 15	Certification Deadline for all other crops including: Corn, Beans, CRP, & Alfalfa