January 2012

EMMET-CHARLEVOIX FARM SERVICE AGENCY County Office News

USDA Service Center

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2235 E. Mitchell Rd.
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www.fsa.usda.gov/mi

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

Website
www.fsa.usda.gov

County Committee
Wilson Boss
Beverly Hinkley
Richard Gregory
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County Executive Director
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Farm Loan Manager
James Monroe

Office Staff
Jessica Chandler

2012 Crop Year DCP Contract Signup Delayed – No Advance Payment available

The annual Direct and Counter Cyclical Program (DCP) contracts are usually available for you to enroll for the 2012 crop year. However, the agency has determined to set **January 23rd as the Beginning Date** for the 2012 DCP and ACRE Contract enrollment period and it will run thru **June 1, 2012**.

The 2008 Farm Bill had stipulated that no advance payments would be available for the 2012 crop year DCP or ACRE contracts. Final payments will be received in October 2012.

FSA Moving to Electronic Newsletter

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. Interested producers may subscribe to receive e-mail updates by going to the USDA GovDelivery sign-up page found at the following web address: http://www.fsa.usda.gov/subscribe

Check out Michigan's website at: www.fsa.usda.gov/mi

It has been over a year since we have issued a newsletter. Due to budget constraints, we will no longer be able to mail out newsletters and COC meetings are now being held quarterly. With the current mandates set by Congress, there may be changes in the programs for 2012. The current Farm Bill expires on 9-30-2012.

WETLAND PROVISIONS:

Potential violations of the wetland rules include bringing new land into production by clearing trees or improving drainage by tiling or dredging. **Before you BEGIN any of these projects, you need to fill out form AD-1026.** Natural Resources Conservation Service will complete a certified evaluation of the tract to determine if there are areas that are wet and highly erodible. This process takes at least 60 days to complete. NRCS will notify you by mail of the results.

With the new mapping system, updated imagery clearly shows where land has been cleared or drained. The penalty for a wetland violation can be loss of **ALL** USDA benefits back to the year of conversion. By checking with our office before you start a project, you can remain in compliance and avoid the penalties. Plan ahead, before clearing any land come into the office and sign the form.

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. This will reduce the amount of time that you have to wait in the office.

Spousal Signatures

Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office. Spouses may sign loan documents only when an FSA Power of Attorney form is on file.

POWER OF ATTORNEY

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

Thinking of Planting Fruits or Vegetables in 2012?

In general, producers enrolled in the Direct and Counter Cyclical Program (DCP) may not plant

- Fruits and/or
- Vegetables on base acres enrolled in DCP.

However Fruits and Vegetables may be planted:

- On a farm with a history of planting fruits and vegetables
- If the producer has an established history of planting a specific fruit or specific vegetable

DCP and ACRE payments will be reduced by an acre for each acre of base acreage planted to a fruit or vegetable.

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)

*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 FAV's.

APPLY NOW FOR 2012 ANNUAL OPERATING LOANS

Farmers that plan to apply to the Farm Service Agency for annual operating loan assistance this year are encouraged to apply as soon as possible. The earlier an application for loan assistance is filed, the quicker the FSA staff can process your request. In addition, due to budget constraints, farmers that wait until later in the year to apply, often run the risk of finding out that our funding allocations have been utilized already. Farmers are encouraged to contact our office to set up an appointment for information as to what is required in order to have a complete loan application on file. Decisions cannot be made until a complete application is received.

Did you suffer a crop loss in the 2010 Crop Year? Supplemental Revenue Assurance Program (SURE) Signup ongoing.

To be eligible for this program, producers must have purchased at least the catastrophic risk protection (CAT) level of crop insurance for all insurable crops of economic significance and/or Noninsured Crop Disaster Assistance Program (NAP) coverage for non-insurable crops for the 2010 crop year. SURE is different from other disaster programs because it is *REVENUE BASED.*

The (SURE) Program is the only disaster assistance program remaining from the 2008 Farm Bill's disaster programs. All other disaster programs expired on September 30, 2011.

For SURE, a "farm" is eligible when either:

- a portion of the farm is located in a county covered by a qualifying natural disaster declaration; or
- the actual revenue is less than 50% of the normal revenue.

Note: A "farm" refers to all crop acreage in all counties across the nation that a producer planted or intended to be planted for harvest for normal commercial sale or farm livestock feeding. You must have suffered a 10 percent revenue loss on at least one crop of economic significance on your farm in order to be eligible for the SURE program. A crop of economic significance is one that contributes at least 5 percent of the expected revenue for a producer's farm.

The SURE guarantees for the farm 90% of the total expected farm revenue. SURE payments will be 60% of the difference between the SURE guarantee for the farm and the total farm revenue for the farm.

The signup period ends on June 1, 2012 and this is a process that does take some time, if you feel you may qualify, start the paper work early.

More details on the 2010 SURE Program are available at county FSA offices or on line at www.fsa.usda.gov

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holding to the Secretary of Agriculture. Foreign persons who have purchased or sold land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property.

Bank Account Changes

All FSA payments are to be made by direct deposit unless there is a financial hardship to prevent it. Producers need to notify us when bank accounts change to prevent a delay in payments.

Farm Reconstitutions

In program terminology, 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. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by Aug. 1 for farms enrolled in the Direct and Counter-cyclical Program or ACRE Program.

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm ownership is sold/transferred to two or more persons; (3) part of a tract is sold or ownership is transferred. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding.

ANNUAL PAYMENT LIMITATION NOTICE

Payment limitations per person for 2012 (no change from previous year):

- $40,000 for Direct Payments (DCP);
- $65,000 for Counter Cyclical Payments (DCP) and ACRE payments;
- $50,000 for CRP;
- no limits for market gains and LDP's;
- $100,000 for Disaster Assistance Programs;
- $100,000 for NAP.

EMMET-CHARLEVOIX COUNTY 2011 COMMODITY LOAN RATES	
CROP	**LOAN RATE**
BARLEY	$1.80
CORN	$1.77
OATS	$1.38
SOYBEANS	$4.86
RED WHEAT	$2.03
WHITE WHEAT	$2.18

FARM STORAGE FACILITY LOANS (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 or 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.

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

Sign-up is continuous, as long as CCC funds are available.

CONTROLLED SUBSTANCES

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits. If convicted of one of these offensives, the program participant shall be ineligible during that crop year and the four succeeding crop years.

WOMEN'S AND HISPANIC'S CLAIM PROCESS

The Federal Government has set up a claims process to provide money to farmers who may have been discriminated against because they were women or Hispanic. If you believe that the United States Department of Agriculture (USDA) improperly denied farm loan benefits to you between 1981 and 2000 because you are Hispanic, or because you are female, you may be eligible to apply for compensation.

If you want to register your name to receive a claims package, you can call the Farmer and Rancher Call Center at 1-888-508-4429 or access the following website: https://farmerclaims.gov

More information is available at the Farm Service Agency office located at 50 E. Miller Rd, Sandusky, MI 48471. If you have additional questions you may call the office at (810) 648-2998, ext. 2.

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 Office in person or by phone.

FARM LOAN BORRWERS—BE PREPARED

Producers that have farm loans 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:

- balance sheets,
- projected cash flows
- and actual income and expense statements

timely so that their files can be maintained. The office will be contacting you for this data beginning in January of 2012. Please be prepared for your office appointment.

Continues	Continuous Conservation Reserve Program, CREP
Continues	Farm Storage/Facility Loan
Continues	Crop Disaster Program (SURE) Signup for 2010 for Quality and Quantity losses
Jan 2	Office Closed – New Years
Jan 16	Office Closed – Martin Luther King Birthday observed
Jan 23	Beginning 2012 Crop Year DCP and ACRE contract enrollment
Jan 31	Final date to request 2011 crop wool and mohair loans or LDP's
Feb 20	Office Closed – George Washington's Birthday Observed
Mar 15	NAP sales closing date for many crops, check with the office for a listing
April 2	Final date to request 2011 wheat loans or LDP's
May 31	Final date to request 2011 corn and soybean loans
June 1	Final date to enroll in the 2012 DCP/ACRE programs

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.