



Gladwin Clare
USDA Service Center

Gladwin Clare FSA
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989-426-4914 (fax)
www.fsa.usda.gov/mi

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

County Committee
Ken Brown, Chairman
Dick Brushaber, Vice
Chairman
Jim Eberhart
Mark Iciek
Randy Sheehan
Linda Freier, Advisor

County Committee meets
3rd Wednesday each
month

Staff
Jessie Engelhardt, PT
Brenda Inscho, PT
Marlene Starr, PT
Kevin Davis, Reporter
Peggy McKimmy, CED

Jerry Spickerman, FLM



Gladwin Clare County News

Direct and Counter Cyclical Program (DCP) Signup Extended

It has been announced that USDA has extended the sign-up deadline for both the DCP and the Average Crop Revenue Election (ACRE) Program from June 1 to August 14. This extension will give producers time to make an informed decision whether to participate in DCP or ACRE.

Eligible producers for the DCP Program are also eligible to enroll in the Average Crop Revenue Election (ACRE) Program or the Counter-cyclical Program. The enrollment period for the ACRE Program is expected to begin in late April. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to the ACRE program.

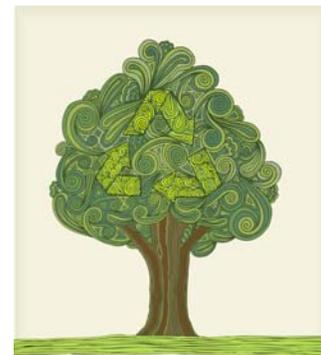
*We are encouraging
everyone to call for an ap-
pointment to sign-up for DCP
as soon as possible.
We'll help you get your farm
record changes done and
your eligibility
paperwork filled out quickly
and accurately.*



ACRE PROGRAM

The ACRE program, authorized by the 2008 Farm Bill, provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. The decision to elect ACRE binds the farm to the program through the 2012 crop year, the last crop year covered by the 2008 Act.

For more information about ACRE, DCP and other price support programs, please visit the Gladwin office. You can also obtain information on-line at <http://www.fsa.usda.gov>



CREP & Continuous CRP Available

USDA has no general signups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Enhancement Program (CREP) and Continuous CRP will still be eligible for enrollment. These targeted programs remain funded, and continue to provide heightened environmental and financial benefits to select areas.

FSA Down-payment Program

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing farm property. Retiring farmers may use this program to help transfer their land to future generations.

To qualify, the applicant must make a cash down payment of at least 5 percent of the purchase price. This direct loan portion has a maximum loan amount of \$225,000. The loan has a very low fixed interest rate with a 20-year repayment.



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. FSA 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 within 90 days. Failure to submit the AFIDA form could result in civil penalties. County government offices, realtors, attorneys and others are reminded to notify foreign investors of these reporting requirements.

Dairy Prices Trigger MILC Payments

Due to low milk prices FSA will be making payments in April to producers through the FSA's Milk Income Loss Contract, or MILC, program. The 2008 Farm Bill made changes to the MILC program, most notably the addition of a dairy feed ration cost adjustment in addition to changes to the payment rate and modifications to the per-operation poundage limit, depending on when the milk is produced.

FSA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted for feed costs. The monthly Boston price is posted online at: http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_mainnew.htm#Advance.

FSA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 MILC payment trigger price, and multiplying the difference by 45 percent. The payment factor of 45 percent will decline to 34 percent on September 1, 2012.

FSA issues payments not later than 60 calendar days after FSA receives production evidence for the applicable month or the entire month's National Average Dairy Feed Ration Cost is posted for the applicable month, whichever is later.

FSA makes payments on up to the maximum eligible pounds of milk produced and marketed by each operation per fiscal year. The annual maximum eligible pound limit per dairy operation is 2,985,000 pounds per fiscal year. The amount drops to 2.4 million pounds per fiscal year on September 1, 2012.

MILC participants must select a month for which FSA will begin issuing payments for each fiscal year. Starting with the dairy operation's selected month, FSA will issue MILC payments based on that month's milk production and the milk production for each consecutive month thereafter with the effective payment rate until the operation reaches the production cap or the fiscal year ends.

The 2008 Farm Bill also excludes producers whose non-farm average adjusted gross income (AGI) exceeds \$500,000 from receiving MILC payments. Producers will have to sign an AGI statement when signing up for the program. More information about the MILC program can be found on the FSA website <http://www.fsa.usda.gov>.

FSA Farm Loan Programs: Michigan's Lender of First Opportunity.

FSA offers Michigan's farm families access to affordable credit through a wide variety of lending opportunities. Our experienced, knowledgeable staff specializes in tailoring our loan products to meet the needs of your operation. Beyond simple access to agricultural financing, FSA is an industry leader in providing supervised credit. We provide assistance with farm planning, credit counseling, financial planning, and farm and financial education throughout the term of the loan.

We serve a variety of Michigan's agricultural producers including individuals and entities wanting to start farming, those wanting to continue or change their operations, women and minorities who want to start or continue farming, and youth wanting to build their own income producing agricultural projects.

FSA offers a wide spectrum of lending options that can be tailored to an individual's situation. We can make direct fixed rate farm ownership loans (FO) and fixed rate farm operating loans (OL) in amounts up to \$300,000. We can also work with the borrower's local agricultural lender to guarantee commercial credit for both operating and ownership loans of up to \$1,094,000. In general, farm ownership funds may be used to purchase or enlarge a farm, purchase easements or rights of way needed in the farm's operation, erect or improve buildings, implement soil and water conservation measures, and pay closing costs. Guaranteed FO funds may also be used to refinance debt. Operating loan funds may be used to purchase live-

RECORD CORRECTIONS AND RECONS

Producers are being encouraged to get all their records updated with our office **before sign-up into any programs.**

If you are either adding or dropping land from what you were operating last year, we are asking that you give us a call and let us know of the changes as soon as possible.



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

stock, poultry, farm equipment, feed, seed, fuel, fertilizer, chemicals, insurance, and other operating expenses. The funds also may be used for closing costs, and to reorganize and refinance certain debt.

Every situation is different. Contact the Gladwin Clare FSA Service Center to speak to a local loan officer.

Selected Interest Rates for April, 2009	
Farm Operating Loans — Direct	2.25%
Farm Ownership Loans — Direct	4.125%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.5%
Emergency Loans	3.75%
Farm Storage Facility Loans	2.50%
Commodity Loans	1.625%

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.

Sodbuster/Swampbuster

Most USDA programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop. Further, participants are prohibited from converting wetlands for agricultural production purposes. Additional provisions, such as tiling, repairing and/or modifying existing tiling or cleaning and/or modifying any drains located on your farm may also be considered a violation.

Please contact your local FSA office if you are considering doing any of the above mentioned items.

Youth Loans

The Farm Service Agency makes loans to rural youth to establish and operate 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 21 years of age*
- *Live in a rural area or in a town of 50,000 people or fewer*
- *Must obtain a written recommendation and consent from a parent or guardian if the applicant has not reached the age of majority under state law*
- *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 project and the loan, along with providing adequate supervision.*

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions.



**CROP
 REPORTING
 TIME IS
 APPROACHING**

It will soon be time to report your crops to us. When you have finished planting, give us a call for an appointment to file an FSA-578. Wheat and fall seeded crops deadline is June 30th. Spring seeded crops must be filed by July 15th.

Supplemental Revenue Assistance (SURE)

SURE is a crop disaster program that offers supplemental revenue protection for a “whole farm” (all crops in all counties).

SURE compares “total expected crop revenue” to “actual crop revenue” with a payment being calculated at 60% of that difference.

Implementation of **SURE** in any given year requires that either the county receive a crop disaster declaration by the Secretary of Agriculture **or** the “whole farm” must have a 50% expected revenue loss. In addition, at least one crop of economic significance must suffer at least a 10% yield loss due to natural causes.

No signup-dates have been announced, yet.

Dates to Remember	
April 17 & 18	Tree sale pickup--Gladwin
April 22	Earth Day
April 24 & 25	Tree sale pickup--Clare
May 25	Office Closed Memorial Day
June 30	Crop reporting deadline for fall seeded crops
July 15	Crop reporting deadline
Aug. 14	DCP & ACRE signup ends
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program
Continues	Conservation Reserve Enhancement Program

Visit our Web site at:
www.fsa.usda.gov/mi



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