



GRAND TRAVERSE, KALKASKA, and LEELANAU COUNTY NEWS

**Grand Traverse,
Kalkaska, Leelanau
County
USDA Service Center**

**Grand Traverse,
Kalkaska, Leelanau
County FSA**
1501 Cass Street, Suite A
Traverse City, MI 49684
231-941-0951 (phone)
231-929-7890 (fax)
www.fsa.usda.gov/mi

Hours

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

County Committee:

Brent Wagner, Chairman
Gregory Send,
V. Chairman
Members:
Jim Bardenhagen,
Bruce Cotton,
David Noonan
Advisor:
Joanne Gallagher

County Committee meets
2nd Wednesday
at 9:00 am

Staff

Greg Shy, CED
Julie Isabell
Jan Malik
Mary Coleman
Jim Monroe, FLM
John Neff



NAP Coverage Deadline

Due to changes in program provisions it is even more important for producers to purchase insurance on their crops. **If all of your crops are not insured you will not be eligible any disaster assistance.** The Non-Insured Crop Disaster Assistance Program (NAP) is available for 2010 crops for which catastrophic level crop (CAT) insurance is not available through FCIC. CAT is available for the following crops: Apples, Barley, Corn, Oats, Snap Beans, Sweet Cherries, and Wheat. All other crops are insurable under NAP. NAP must be purchased by September 30 for alfalfa, canola, other forages, and rye. November 20th is the deadline for 2010 perennial crops. Contact the office for a complete list of NAP closing dates. The application fee for NAP crops is \$250 per crop; or \$750 per producer per county.

March 15th is the NAP and FCIC application closing date for most 2010 annual crops. If you carried NAP coverage on your crops for crop year 2009, please remember to provide your production records to the FSA office as soon as possible.

Timely Filing of Loss

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. A Notice of Loss is required for ALL CROPS COVERED BY NAP INCLUDING GRASSES. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) you must file a CCC-576 (notice of loss) in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent or 15 days after the normal harvest date.

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

Structures to store hay, renewable biomass, and fruits and vegetables are now eligible. Cold storage facilities are also eligible, but controlled atmosphere facilities are still not eligible.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates are currently 3.25% for a 7 year term, 3.625% for a 10 year term and 4.00% for a 12 year term.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, wheat, oats or barley harvested as other-than-whole grain
- Hay
- Renewable biomass
- Fruits and vegetables



Conservation Reserve Program State Acres for Wildlife Enhancement (SAFE)

Owners and operators of cropland in Grand Traverse, Leelanau, and Kalkaska counties may enroll eligible land in a new Continuous Conservation Reserve Program (CRP) practice called SAFE which creates a native pollinator habitat planting that consists of native shrubs, grasses and/or wildflowers providing cover, nectar, and pollen for native pollinators.

Through continuous CRP USDA accepts offers by producers, provided the land and producer meet certain eligibility requirements.

Eligible land is cropland that was planted to an agricultural commodity during four of the six years from 1996 to 2001 **or be part of a working orchard or vineyard.**

Participants receive an annual rental payment based on the soil type. The rental payment is approximately \$30/acre per year and USDA will pay up to 90 percent of the cost of establishing the native pollinator habitat.

USDA will also provide an up-front, one-time CRP Signing Incentive Payment (CRP-SIP) of \$100 per acre, which is made after the contract is approved.

Rural Youth Loans

The U.S. Department of Agriculture's Farm Service Agency (FSA) makes operating loans to individual rural youths age 10 through 20 to establish and operate income producing projects. These projects must be of modest size and be initiated, developed, carried out by rural youths participating in 4-H Clubs, FFA, or a similar organization or with a vocational teacher or county extension agent. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience. To find out more about FSA loan programs, contact the county office staff.

FSA Farm Loans

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

The current interest rates are as follows:

Farm Ownership 4.875%
Farm Operating 3.000%

For detail information loan eligibility or the different available loan programs, contact the county office staff for an appointment with a farm loan officer.

Biomass Crop Assistance Program

FSA is currently accepting applications from biomass facilities interested in participating in the Biomass Crop Assistance Program (BCAP).

Once an agreement is signed between FSA and a facility and funding through the program is provided, the facilities can begin accepting materials. Producers who sell these materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received from a qualified biomass conversion facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass producers with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers who market eligible material to a qualified biomass conversion facility may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. 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 and information provided under the terms of MOUs with the qualified biomass conversion facilities. CHST payments will not be authorized until after an appropriate environmental analysis has been conducted.

Biomass conversion facilities and material owners or producers should contact their FSA state offices or visit www.fsa.usda.gov for more information.



Reporting Changes

It is important to remember to contact the office with any record changes that may have occurred. These changes would include, but are not limited to:

- Address – any contact information.
- Direct Deposit – to ensure payments are deposited correctly, it is imperative that any changes in bank account information is updated immediately.
- Development – any new parcels of land removed for houses needs to be reported.
- Owner/Operator Changes – report any changes in land ownership, tenants or crop share arrangements.
- Reconstitutions – changes that requires farm combinations or separations due to sale of land or change in operators should be reported as soon as possible.
- Farm Operating Plan – any changes to the farming operation that may have an effect on “person” and/or “actively engaged” determinations.



USDA Conservation Stewardship Program (CSP)

Michigan agricultural producers and forest owners can begin signing up for the U.S. Department of Agriculture’s new Conservation Stewardship Program on August 10 with the first signup period cutoff scheduled for September 30. The voluntary program offers program payments to producers that maintain existing conservation activities and adopt additional ones on their operations.

The Conservation Stewardship Program is a new program created under the Food, Conservation, and Energy Act of 2008. CSP is administered by the USDA Natural Resources Conservation Service. Lands eligible for the program include cropland, grassland, improved pastureland, rangeland, non-industrial private forestland and agricultural land under the jurisdiction of an Indian tribe. Eligible applicants may include individual landowners, legal entities, and Indian tribes.

Under the new program producers will enroll their entire agricultural or forestry operation into the program. Producers who are accepted in the program will receive program payments based on the existing conservation measures they maintain and new conservation measures they agree to implement.

To apply for CSP, potential participants are encouraged to use a self-screening checklist to determine whether the new program is suitable for them or their operation. Producers can submit applications at their local NRCS field office. Applications submitted by producers who have completed the self-screening checklist will be ranked competitively according to national and state priority resource concerns. CSP replaces the Conservation Security Program which was only available to producers in designated watersheds. The program will be offered to producers nationwide through continuous sign-ups. Agricultural and non-industrial private forestry producers must submit applications by Sept. 30 to be considered for funding in the first ranking period.

For information about CSP, including eligibility requirements, producers can visit www.mi.nrcs.usda.gov/programs/csp.html or call Jason M. Kimbrough, NRCS District Conservationist at 231-941-0951 x 101

2008 FARM BILL RISK MANAGEMENT PROVISIONS

The 2008 farm bill amended the Trade Act of 1974 and created 5 new disaster programs: SURE, TAP, ELAP, LFP, and LIP. No longer will producers have to wait for legislation to be passed to initiate programs to address disaster situations. The farm bill provides that any producer that meets the requirements of any one of these disaster programs is potentially eligible for a program payment. *A major change in the farm bill is the Risk Management Purchase Requirement (RMPR).*

In order to be eligible for these programs producers must purchase at least the CAT level of crop insurance for all insurable crops and/or NAP coverage for all non-insurable crops on all farms in all counties.

DE MINIMIS EXCEPTIONS APPLY FOR SURE ONLY! Important: You must purchase coverage for all crops to remain eligible for TAP, ELAP and LFP.

The advantages of purchasing Crop Insurance or NAP Coverage are: You have a real insurance product, receive fair market value for commodities, and receive a greater SURE Guarantee (with Buy-Up).

The following signup dates have determined:
07/13 - Livestock Indemnity Program (LIP)
Assists livestock owners who incurred losses.

09/09 - Emergency Assistance for Livestock, Honey Bees, and Farm-Raised Fish (ELAP)
Emergency relief to producers of livestock, honey bees, and fish because of adverse weather or related conditions.

09/09 - Livestock Forage Assistance Program (LFP) Assist producers with grazing losses.

11/02 - Tree Assistance Program (TAP)
Provides assistance to growers who lost trees in excess of 15% normal mortality.

11/02 – Supplemental Revenue Assistance Payment Program (SURE)

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.

Grand Traverse FSA Office
1501 Cass ST, Suite A
Traverse City, MI 49684



PRESORTED STANDARD
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COMMODITY LOANS AND LDP RATES

2009 Loan Rates:

Barley \$1.67
Corn \$1.72
Oats \$1.32
Soys \$4.87
Sunflw \$8.05
Wheat \$1.96

*Loans are for a
nine month period.

DUE TO LOW
COMMODITY
PRICES AN LDP IS
NOW AVAILABLE
FOR BARLEY.

Contact the office to
check to see if an
LDP is available for
other crops.

Selected Interest Rates for September 2009	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	3.00%
Farm Ownership Loans — Direct	4.875%
Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency Loans	3.75%
7 yr. Farm Storage Facility Loans	3.250%
10 yr. Farm Storage Facility Loans	3.625%
12 yr. Farm Storage Facility Loans	4.000%
Sugar Storage Facility Loans	4.375%
Commodity Loans 1996-Present	1.500%



Dates to Remember	
Sept. 9 th	ELAP and LFP Signup Begin
Sept. 30 th	NAP sales closing date for 2010 small grains and forages
Nov. 2 nd	SURE and TAP Signup Begin
Nov. 20 th	NAP sales closing date for perennial crops
Dec. 1 st	NAP sales closing date for honey and maple sap
Notice of Loss	15 Days From Occurrence
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program (SAFE)

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



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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.