



NEWSLETTER



February 2012

Grand Traverse Area FSA Office

1501 Cass ST
Traverse City, MI 49684

231-941-0951 phone
855-292-1667 fax
www.fsa.usda.gov/mi

Hours

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

County Committee

Brent Wagner,
Chairperson
David Noonan, Vice-
Chairperson
Jim Bardenhagen,
Member
Bruce Cotton, Member
Joanne Gallagher,
Member
Jaunita Send, Advisor

County Committee
Meetings will be held on a
quarterly basis, call for
date and time.

County Executive Director

Gregory B. Shy

Farm Loan Manager

James Monroe

County Staff

Janet Howes, Program
Technician
Jan Malik, Program
Technician

2011 FSA COUNTY COMMITTEE ELECTIONS

Congratulations to Brent Wagner on his re-election to the County Committee. This is Brent's third term and he represents LAA #4 (Blair, Fife Lake, Grant, Green Lake, Paradise, and Union). Matt Breithaupt was elected alternate. Jim Bardenhagen was elected for his second term and represents LAA #1 (Bingham, Leelanau, Leland, and Suttons Bay). Stan Silverman was elected alternate of LAA #1. County Committee members are elected for a three year term and are eligible to serve up to three consecutive terms. The new County Committee Members took office on January 1st.

During the organizational meeting held January 3rd Brent Wagner was elected as County Committee Chairman and Dave Noonan was elected Vice-chairman.

FSA would like to thank everyone who took the time to vote in the committee elections. The county committee system works only because of your participation.

County Committee meetings are now being held quarterly. The next meeting is scheduled for February 29th at 9:00 a.m. at the USDA Service Center in Traverse City. Please check this Web Site for future COC meeting dates. The public is invited to attend. Please call in advance to verify the date.

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

Note: Changes cannot be made after Sept. 30, 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.

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.

FOREIGN BUYERS NOTICE

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.

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.*

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.

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.

CRP General Sign-up Begins March 12th

The Conservation Reserve Program (CRP) is offering a general sign-up period from March 12, 2012 through April 6, 2012.

CRP is a voluntary program available to agricultural producers to help them use environmentally sensitive land for conservation benefits. Producers enrolled in CRP plant long-term resource conserving covers to improve quality of water, control soil erosion, and develop wildlife habitat.

Landowners enrolled in the CRP program receive annual rental payments and cost-share assistance to establish conserving covers on eligible farmland. Land that is not currently enrolled in CRP or CRP participants with contract expiring this fall can make a contract offer during sign-up if all eligibility requirements are met. Contracts awarded during this general sign-up will become effective October 1, 2012.

Producers are also encouraged to look into CRP's other enrollment opportunities offered on a continuous, non-competitive, signup basis.



Rural Youth Loans

The Farm Service Agency makes loans to rural youths 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 \$5,000.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 % of the county's median size.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov

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.

Dates to Remember	
March 12th	CRP General Signup begins and continues through April 6, 2012
March 15th	NAP sales closing date for most 2012 spring seeded annual crops
March 31 st	Final date to request 2011 small grain and honey loans
May 31 st	Final date to request feed grain and oilseed loans
June 1 st	Deadline to sign-up for DCP/ACRE
June 1 st	Deadline to apply for 2010 SURE