

December 2012



## Grand Traverse, Kalkaska, Leelanau County FSA Updates

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### Grand Traverse Area FSA Office

Grand Traverse  
Kalkaska  
Leelanau

**Address:**

1501 Cass Street, Ste A  
Traverse City, MI 49684

**Phone:** 231-941-0951

**Fax:** 855-292-1667

**County Executive Director:**

Gregory Shy

**Farm Loan Manager:**

James Monroe

**Program Technicians:**

Caleb Boge  
Janet Howes  
Jan Malik

### Important Dates to Remember

- **December 25th** - Christmas Holiday – Office Closed
- **January 1st** - New Year's Day Holiday – Office Closed
- **January 2nd** - Certification deadline for Honey (number of Colonies)
- **January 15th** - Deadline to certify **apples, blueberries, cherries, grapes, & peaches**
- **February 1st** - Deadline to certify **Maple Sap** (number of eligible trees and Taps)
- **March 15th** - Final date to purchase NAP coverage on most spring seeded NAP crops.
- **March 25th** - Final date for Women and Hispanic farmers and ranchers claim period
- **March 31st** - Final date to request a 2012-crop small grains and honey loans or LDP.
- **May 31st** - Final date to request 2012-crop feed grains, oilseeds loans or LDP.
- **June 7th** - 2011 SURE Sign up Deadline

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## IRS 1099 Changes

Calendar year 2012 has brought changes to the way FSA reports farm program payments to the producer and to the IRS. In past years, IRS Forms 1099-G would be issued to show all program payments received from the Farm Service Agency, regardless of the amount.

Starting with calendar year 2012, producers whose total reportable payments from FSA are less than \$600 will not receive IRS Form 1099-G. Also, producers who receive payments from more than one county will only receive one Form 1099-G if the total of all payments from all counties is \$600 or more. The same changes will apply to those who normally receive IRS Form 1099-MISC from FSA.

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## 2012 Census of Agriculture

Very soon, USDA's National Agricultural Statistics Service will be focused on encouraging all farmers and ranchers to respond to the [2012 Census of Agriculture](#).

The Census of Agriculture is conducted only once every five years across our country's farmland and agricultural communities. USDA, those involved in agriculture, and many others use the results of the Census to make important policy and business decisions that impact people across our nation.

While the Census is particularly vital for folks in rural America, it's important to remember that well-informed policy decisions have a positive impact for all of us. Even for families in our biggest cities, a strong rural America means an abundant food supply, cleaner water, extraordinary outdoor recreation, and more. That's why it couldn't be more important to make sure that all of our nation's farmers and farmland are accurately accounted for.

NASS mails the Census of Agriculture in mid December with a return deadline of February 4, 2013.

The results of the Census show the strength and diversity of U.S. agriculture. It's farmers' voice, their future and their responsibility.

Encourage farmers and ranchers to respond. Remind producers they can easily and securely respond online after they receive their census form at [www.agcensus.usda.gov](http://www.agcensus.usda.gov). For questions or help completing their form, direct respondents to NASS at (888) 424-7828.

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## Got Hay? Need Hay?

Hay Net is the Farm Service Agency's (FSA) online service for farmers and ranchers to use to share hay need ads and hay availability ads online.

There is a one-time registration process that is to be completed by all users who want to post an ad online. However, producers who wish to only browse the ad listings do not need to register.

To visit the FSA Hay Net site, follow the Hay Net link on <http://www.fsa.usda.gov> and click on Online Services, or click the link below.

### [FSA Hay Net](#)

With our current shortage of hay crops and soaring prices from the 2012 season here are some other websites that you may find helpful for both hay producers and hay buyers!

- 1) [http://msue.anr.msu.edu/resources/drought\\_resources](http://msue.anr.msu.edu/resources/drought_resources)
- 2) <http://www.lmic2.info/tac/other/Lists/hay&pasture.pdf>
- 3) <http://web2.canr.msu.edu/hay/>
- 4) <http://www.michiganfarmbureau.com/farmnews/transform.php?xml=19990815/hay.xml>

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## Secretary's Column: The Millions of Jobs Supported by Rural America

by Agriculture Secretary Tom Vilsack

Every day I am reminded of the many ways in which the work of rural America impacts all of us. Rural America provides us with a clean environment, opportunities to get outdoors, greater energy security, and a safe and abundant food supply that's the envy of the world. From our smallest towns to our biggest cities, work ongoing today in rural America has a tremendously positive effect for the United States.

Perhaps most important, rural America is driving job growth across our nation.

Last year, the agriculture sector and its related industries directly provided more than 16 million American jobs, the highest number since 2008. Many of these jobs are in rural America – while other agriculture-related jobs, from food manufacturing to textile work, are supporting millions of families in our cities.

The productivity of our agriculture industry also allows America to remain food secure, while exporting more goods around the world and supporting jobs here at home. The [latest agricultural trade forecast](#) released this week continues an astonishing trend for American farm exports that began in 2009. Since that year, we've seen U.S. agricultural exports climb more than 50 percent in value – and agricultural exports continue to support more than a million jobs.

All told, one in 12 U.S. jobs today are supported by American agriculture.

Meanwhile, renewable energy continues to take hold across our nation. Today, renewable energy efforts support more than one million American jobs. More than 400,000 of these jobs are in the biofuels industry, which is based in rural America and holds great potential to create even more opportunity.

Outdoor recreation brought more than \$145 billion in economic benefits to the U.S. last year and supported hundreds of thousands of jobs. Visitors to America's National Forests alone support more than 200,000 jobs annually in nearby communities.

At USDA, we will also continue our record efforts to support rural communities and businesses in creating jobs. For example, since 2009, USDA has made nearly 60,000 loans and grants to help rural businesses grow. The economic benefits from these efforts have saved or created an estimated 300,000 jobs. Meanwhile, by helping nearly 600,000 American families buy or refinance a home since 2009, USDA has generated economic benefits that support an estimated 250,000 jobs. We are always working to do more.

Rural America does so much for all of us, every day. Our small towns and rural communities continue to drive America's economy forward, supporting industries that are responsible for a high proportion of U.S. jobs. I know that in the months to come, we can continue supporting good jobs for Americans while further strengthening the rural economy.

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## USDA Scientists & Cooperators Sequence Wheat Genome

WASHINGTON, November 28, 2012—U.S. Department of Agriculture (USDA) scientists working as part of an international team have completed a shotgun sequencing of the wheat genome, a paper published in the journal *Nature* reported today. The achievement is expected to increase wheat yields, help feed the world and speed up development of wheat varieties with enhanced nutritional value.

"By unlocking the genetic secrets of wheat, this study and others like it give us the molecular tools necessary to improve wheat traits and allow our farmers to produce yields sufficient to feed growing populations in the United States and overseas," said Catherine Woteki, USDA's Chief Scientist and Under Secretary for Research, Education and Economics. "Genetics provides us with important methods that not only increase yields, but also address the ever-changing threats agriculture faces from natural pests, crop diseases and changing climates."

Olin Anderson and Yong Gu, scientists with USDA's Agricultural Research Service (ARS) based at the agency's Western Regional Research Center in Albany, Calif., played instrumental roles in the sequencing effort, along with Naxin Huo, a post-doctoral researcher working in Gu's laboratory. All three are co-authors of the *Nature* paper.

ARS is USDA's principal intramural scientific research agency, and the work supports the USDA goal of ensuring global food security.

As the world's largest agricultural research institute, USDA is focused on reducing global hunger by increasing global cooperation and collaboration on research strategies and their implementation. For example, through the U.S. government's Feed the Future initiative, USDA and the U.S. Agency for International Development (USAID) [are coordinating their research portfolio](#) with ongoing work of other donors, multilateral institutions, and government and non-government entities at the country level to effectively improve agricultural productivity, reduce food insecurity and generate economic opportunity.

Grown on more land area than any other commercial crop, wheat is the world's most important staple food, and its improvement has vast implications for global food security. The work to complete the shotgun sequencing of the wheat genome will help to improve programs on breeding and adaptation in Asia and Sub-Saharan Africa for wheat crops that could be drought tolerant and resistant to weeds, pests and diseases.

ARS is one of nine institutions with researchers who contributed to the study. The lead authors are based in the United Kingdom and were funded by the British-based Biotechnology and Biological Sciences Research Council. Funding also was provided by USDA's National Institute of Food and Agriculture, or NIFA. NIFA focuses on investing in research, education and extension programs to help solve critical issues impacting people's daily lives.

The study represents the most detailed examination to date of the DNA that makes up the wheat genome, a crop domesticated thousands of years ago. The wheat genome is five times the size of the human genome, giving it a complexity that makes it difficult to study. The researchers used the whole genome shotgun sequencing approach, which essentially breaks up the genome into smaller, more workable segments for analysis and then pieces them together.

Another international team of scientists is working on a long-term project expected to result in more detailed sequencing results of the wheat genome in the years ahead. But the results published today shed light on wheat's DNA in a way that will help breeders develop hardier varieties by linking genes to key traits, such as disease resistance and drought tolerance.

Wheat evolved from three ancient grasses, and the ARS team, working closely with partners at University of California, Davis, sequenced the genome of one of those three parents, *Aegilops tauschii*. That sequencing, funded in part by the National Science Foundation, was instrumental in the study. It allowed researchers to identify the origins of many of the genes found in modern-day wheat, a key step in linking genes to traits and developing markers for use in breeding new varieties.

Wheat growers face numerous challenges each year. Acidity in the soil can make wheat difficult to grow in some areas. Stem rust, a fungal disease, can wipe out entire crops, and a particularly aggressive form of stem rust has developed the ability to knock out genetic resistance in many popular wheat varieties and is causing major losses overseas.

USDA scientists have conducted similar genomic studies that have helped to increase the productivity of dairy operations, enhance cattle breeding and improve on varieties of a number of other crops, including tomatoes, corn and soybean. In 2010, another ARS team published a paper in Nature detailing the sequencing of *Brachypodium distachyon*, a model plant used to study wheat, barley and biofuel crops.

Recent international research collaborations have been critical to meet challenges such as combating wheat rust and increasing wheat productivity, fighting aflatoxin contamination in food, and sequencing genomes of important crops.

The Nature paper can be found at: [www.nature.com/nature/journal/v491/n7426/full/nature11650.html](http://www.nature.com/nature/journal/v491/n7426/full/nature11650.html).

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## 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 groups.

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.

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## NAP & ACRE Production Reporting

FSA reminds producers who are first-time NAP participants with coverage for the 2013 crop year of production and reporting requirements. These producers need to submit a minimum of three, up to ten years of production in order to establish their 2013 approved yield.

ACRE producers are required to submit the current year production for your ACRE farm by July 15th in the year immediately following harvest. The final date to report production for 2012 ACRE crops is July 15, 2013.

**At this point, a new farm bill has not been enacted. In the event that a farm bill is enacted in upcoming months, County Offices will be faced with the task of implementing a new farm bill while completing the collection of information required under the 2008 Farm Bill. Therefore, it would be greatly appreciated if producers submit 2012 harvest production well in advance of the reporting deadline.**

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## Farm Storage Facility Loan Program

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.

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 for each term rate may be different and are based on the rate which CCC borrows from the U.S. Treasury Department.

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. An 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 (including nuts) and vegetables - cold storage facilities.

For more information about FSFL visit the FSA county office or [www.fsa.usda.gov](http://www.fsa.usda.gov).

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## **SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS (SURE)**

The USDA has announced disaster assistance sign-up for 2011 crop losses. Producers can enroll in the Supplemental Revenue Assistance Payments (SURE) program beginning immediately. Under the 2008 Farm Bill, SURE authorizes assistance to farmers and ranchers who suffered crop losses caused by natural disaster occurring through September 30, 2011.

All eligible farmers and ranchers must sign up for 2011 SURE benefits before the June 7, 2013 deadline.

During 2011, several Michigan counties received a Secretarial Disaster Designation, whether primary or contiguous, and producers are eligible to apply for SURE benefits if they experienced at least a 10 percent production loss that affects one crop of economic significance.

To meet program eligibility requirements, producers must have obtained a policy or plan of insurance through the Federal Crop Insurance Corporation or obtained Noninsured Crop Disaster Assistance Program (NAP) coverage for all economically significant crops. Eligible farmers and ranchers who meet the definition of a socially disadvantaged, limited resource or beginning farmer or rancher do not have to meet this requirement. Forage crops intended for grazing are not eligible for SURE benefits.

For more information on SURE program eligibility requirements contact your local FSA County office or visit the website at <http://www.fsa.usda.gov/sure>

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## **Farm Loan Programs – Emergency Farm Loans Available**

USDA/FSA emergency farms loans are available in Antrim, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Otsego and 65 other Counties to all qualified farm operators as a result of losses caused by adverse weather conditions.

Effective **June 29, 2012**, the United States Department of Agriculture designated 72 Michigan counties as natural disaster areas.

The counties were designated as natural disaster areas **for losses due to the combined effects of blizzards, excessive snow, excessive heat, excessive rain, high winds, hail, freeze, frost, tornadoes, flooding and lightning that occurred January 1, 2012 through May 11, 2012.**

Additionally, **effective August 29, 2012**, the United States Department of Agriculture designated the entire state of Michigan, which includes 83 counties, as a primary natural disaster area.

The counties were designated as natural disaster areas **for damages and losses due to draught and excessive heat that began March 1, 2012, and continues.**

The disaster designation makes available low interest (2.125%) loans to farm operators in the designated area. Farm operators who suffered a 30% loss in crop production caused by the weather conditions and meet other eligibility requirements may qualify for Emergency (EM) loan assistance from FSA.

Emergency loan funds may be used to:

- Restore or replace essential property;
- Pay all or part of production costs associated with the disaster year;
- Pay essential family living expenses;
- Reorganize the farming operation; and
- Refinance certain debts.

All emergency loans must be fully collateralized. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000. Loans for crop, livestock, and non-real estate losses are normally repaid within 1 to 7 years; depending on the loan purpose, repayment ability and collateral available as loan security. In special circumstances, terms of up to 20 years may be authorized. Loans for physical losses to real estate are normally repaid within 30 years. In certain circumstances, repayment may be made over a maximum of 40 years. The current annual interest rate for emergency loans is 2.125 percent.

The deadline for filing an EM loan application is March 1, 2013 for the June disaster designation and April 29, 2013 for the more recent August designation.

For more information farm operators should contact their local FSA office or the Farm Loan Program office in the Traverse City USDA Service Center 231-941-0951

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## **Hispanic and Women Farmer and Rancher Claims Period**

USDA has announced that Hispanic and women farmers and ranchers who allege discrimination by the USDA in past decades can file claims between Sept. 24, 2012 and March 25, 2013.

The process offers a voluntary alternative to litigation for each Hispanic or female farmer and rancher who can prove that USDA denied their applications for loan or loan servicing assistance for discriminatory reasons for certain time periods between 1981 and 2000.

As announced in February 2011, the voluntary claims process will make available at least \$1.33 billion for cash awards and tax relief payments, plus up to \$160 million in farm debt relief, to eligible Hispanic and women farmers and ranchers. There are no filing fees to participate in the program.

The department will continue reaching out to potential Hispanic and female claimants, around the country to get the word out to individuals who may be eligible for this program so they have the opportunity to participate.

Call center representatives can be reached at 1-888-508-4429. Claimants must register for a claims package (by calling the number or visiting the website) and the claims package will be mailed to claimants. All those interested in learning more or receiving information about the claims process and claims packages are encouraged to attend meetings in their communities about the claims process and contact the website or claims telephone number.

**Website:** [www.farmerclaims.gov](http://www.farmerclaims.gov)

**Phone:** 1-888-508-4429

**Claims Period: Sept. 24, 2012 - March 25, 2013.**

Independent legal services companies will administer the claims process and adjudicate the claims. Although there are no filing fees to participate and a lawyer is not required to participate in the claims process, people seeking legal advice may contact a lawyer or other legal services provider.

To read Secretary Tom Vilsack's news release click on the following link:

<http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0309.xml&contentidonly=true>

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## **Selected Interest Rates - December 2012**

- Farm Operating Loans - Direct: **1.125%**
- Farm Ownership Loans - Direct: **3.125%**
- Farm Ownership Loans - Joint Financing: **5.000%**
- Limited Resource Loans: **5.000%**
- Farm Ownership Loans - Direct FO Down Payment: **1.500%**
- Emergency Loans: **2.125%**
- Farm Storage Facility Loans:
  - 7 Yr - **1.125%**
  - 10 Yr - **1.750%**
  - 12 Yr - **2.000%**
- Commodity Loans: **1.125%**

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USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9450, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).