



# Gratiot County Farm Service Agency Newsletter

## Gratiot County USDA Service Center

**Gratiot County FSA**  
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**Hours**  
Monday - Friday  
8:00 a.m. - 4:30 p.m.

**County Committee**  
Scott Apple  
Olan Humm  
Chuck Humphrey  
Doreen Slavik

Gratiot County  
Committee meets  
the 2<sup>nd</sup> Wednesday of  
each month

### Staff

Melissa Dettloff, PT  
Shelly Dickinson, PT  
Teri Hedrick, PT  
Nancy Holland, PT  
Sandy McCrimmon, PT  
Jeff Pearsall, PT  
Kay Perkins, PT  
Tim Neuhardt, FLM  
Steve Markley, CED

### Field Reporters:

Ray Kindel  
Dave Wright



## **CRP Acreage Reporting**

For 2010 crop year, CRP acreage can be reported now. It is best to call ahead or to make an appointment with a staff member. Acreage reports will not be mailed to CRP participants for signatures, as resources are limited. There has recently been misunderstanding in this area. This serves notice it's the producer's responsibility to report crops on acreage under their control. CRP acreage must be reported by the contract holder, a spouse, or someone with a valid FSA power of attorney on file. The deadline to certify CRP for 2010 is July 15<sup>th</sup>.

## **Crop Year 2010 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 may be necessary. The reconstitution - or recon - is the process of combining or dividing farms or tracts of land based on the farming operation. To be effective for the current year, recons must be requested by August 1<sup>st</sup> for farms enrolled in DCP and ACRE.

If the recon is initiated by the farm operator, it must have the concurrence and signature of the owner or owners on that farm. If a DCP or ACRE contract exists on that farm, a recon cancels it and another has to be initiated.

*For FSA to better serve you, it is best to request your recon as soon as you're aware there will be a change. Remember, the sooner the better for all recon requests.*

## **Farm Operation Changes in 2010?**

Inform the FSA office of 2010 farm record changes prior to signing up for DCP and ACRE.

**Changes requiring FSA notification are:**

- dropping or picking up rented farmland
- buying or selling land
- modifications in crop share arrangements (*Note: New Leases will be required for cash rented farms*)
- address changes
- cropland removed for housing
- farm operating plan (eligibility) adjustments - such as creating a revocable trust, partnership, LLC, or corporation, or modifying members' shares within an entity

This information will likely be needed for transferring CRP contracts to new owners.

It is critical these changes are addressed as soon as you're aware and before your program sign-up appointment.

## **Land Leases**

Copies of leases supplied to FSA and used for DCP or ACRE program sign-up must include the following information:

- Signature dates
- Length of lease (if multiple year lease, list number of years)
- Must have land owner and operator's names printed and signatures
- Type of lease

It is also very helpful to list township, section, and acres. FSA cannot provide any type of leasing statements, templates, or leases to producers. It is the producer's responsibility to supply rental agreements.

## ***Buying or Selling Land***

If you're planning to buy or sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, the seller may have to refund all of the payments received to date. Also, land currently enrolled in the ACRE program must remain in ACRE after a sale has taken place.

Reviewing program implications with the Farm Service Agency staff before completing a sale of farmland is always a sensible precaution.

## **Banking Changes?**



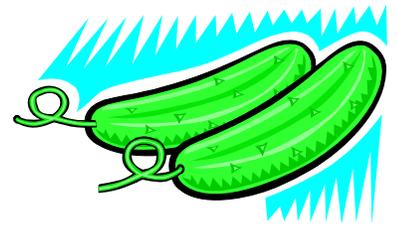
Please notify our office if you make any changes to your banking account. This would include closing your own account, closing the account for a deceased relative, changing the account the deposit goes into, bank mergers, and routing number or account number adjustments. Attempting to make direct deposits into closed accounts will often cause long delays in the payment process.

Promptly provide the county office with this information to avoid payment delay.

## ***NAP Coverage Deadline***

Non-Insured Crop Disaster Assistance Program (NAP) is available for 2010 crops for which Catastrophic level crop insurance is not available. The application fee is \$250 per crop per county; or \$750 per producer per county, not to exceed \$1875 per producer for all counties.

March 15 is the NAP application closing date for most 2010 vegetable and dry bean crops. This date is unchanged from recent years. Producers who had coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage, is not required to be signed when applying for continuous coverage of the same crop or crops. Producers who choose to add or delete crops from the previous year's coverage, or are changing shares for 2010, must file a new CCC-471 with signatures.



If you carried NAP coverage on crops for crop year 2009, please remember to provide your production to the FSA office. This is required for all crops which are covered under a NAP policy.

To remain compliant in NAP, producers must: 1) timely file acreage reports; 2) follow HEL and Wetland conservation compliance requirements; 3) file Notice of Loss within 15 days of weather damage or within 15 days of the loss becoming apparent; 4) request loss adjustment appraisals if any crop will not be harvested or to document production left in the field; and 5) provide true and complete production records for the unit.

## **COMMODITY LOANS**

Commodity loans are an excellent marketing tool for producers with eligible commodities to utilize. Commodity loans are available for harvested eligible commodities that are being stored in an eligible farm storage facility or an approved warehouse until it is sold. A commodity loan can also be utilized on eligible commodities being fed with the arrangement of monthly payments.

The loan rate for corn is different if it is stored as anything other than grain. A loan quantity can be certified or the applicant can pay for a measurement service to be performed by the county office. Any warehouse stored loans will be required to provide a warehouse receipt at the time the loan is requested. All commodity loans mature at the end of the 9<sup>th</sup> month after the issue date. The interest rate for December is 1.375%. This rate will change the first day of each month.

Please visit your local FSA County Office if you are interested. The final availability dates for 2009 crop loans are March 31, 2010 for Wheat, Barley, and Oats, and May 31, 2010 for Corn and Soybeans. The loan rates for 2009 crops are as follows:

- Corn \$1.84
- Soybeans \$4.91
- Barley \$1.67
- Oats \$1.32
- Wheat \$1.81 (Soft Red Wheat), \$2.04 (Soft White Wheat)



## Average Crop Revenue Election (ACRE)

You may have a decision to make again this year when you sign up for the 2010 farm program. Producers eligible for DCP will also be eligible to enroll in the Average Crop Revenue Election (ACRE) program. The enrollment period for ACRE has begun and will continue through June 1, 2010. The optional ACRE program provides a safety net based on State revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. An ACRE payment is issued when both the State and the farm have incurred a revenue loss. The payment is based on 83.3 percent of the farms planted acres times the difference between the State ACRE guarantee and the State revenue times the ratio of the farms yield divided by the State expected yield. For participating in ACRE, a farm's direct payment is reduced by 20 percent and the marketing assistance loan rates are reduced by 30 percent. **Just remember, through the end of the farm bill in 2012, when the farm is enrolled in ACRE, it has to remain in ACRE.**



## Supplemental Revenue Assistance Program (SURE)

### **Background**

SURE provides benefits for farm revenue losses due to natural disaster. Unlike prior USDA disaster programs, SURE is legislated through 2011. For SURE program purposes, a "farm" refers to all acreage in all counties and all states that is planted or intended to be planted to crops that are for sale by the producer, and all hay crops.

### **Eligible Farms**

SURE payments are available to producers on farms that are located in a county covered by a qualifying natural disaster declaration (USDA Secretarial Declarations only) or in a contiguous county OR the actual production is less than 50% of the normal production. In order to receive payments, the farm must suffer at least a 10% eligible production loss on at least one crop of economic significance.

### **Eligible Producers**

For a producer to be eligible for the SURE Program, all of the farming operation's crops (planted or intended) that are of economic significance must be covered by either Federal Crop Insurance (CI) or an FSA Noninsurable Crop Disaster Assistance Program (NAP) policy. However, coverage for grazed crops is not required for SURE. Eligible farmers and ranchers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farmer or Rancher do not have to meet this requirement.

### **Payment Calculation**

Producers with qualifying losses are eligible to receive 60% of the difference between the SURE Disaster Program Guarantee and the actual Farm Revenue.

### **Disaster Program Guarantee**

The guarantee is determined by totaling the calculated guarantee for each crop. For insured crops, the guarantee is based on the level of coverage the producer has elected. Higher levels of coverage will result in higher crop guarantees. For NAP crops, the guarantee is based on a formula that includes the yield, acreage, and price factors. The farm's Disaster Program guarantee cannot exceed 90% of the expected revenue for the farm.

### **Total Farm Revenue**

Included in the Total Farm Revenue calculation are estimated crop value, CI indemnities, NAP payments, Marketing Assistance Loan proceeds, DCP payments (15% of direct payments, plus all CC payments and ACRE payments), and other disaster payments.

### **SURE Calculator**

To assist farmers and ranchers in evaluating their options with SURE, USDA has created a SURE Calculator. Note that to qualify for SURE, producers need to obtain CI or NAP on all crops in all counties in all states. To utilize the Calculator, visit the FSA website ([www.fsa.usda.gov](http://www.fsa.usda.gov)). Under "I Want to..." in the upper right corner, click on "View Farm Bill Information."

### **Signup**

No signup date has been announced yet. Please contact your local FSA County Office for more information.



## Committee Election Results

Congratulations to Doreen Slavik for being elected to the FSA County Office Committee (COC), representing producers in Local Administrative Area (LAA) #2, which consists of Fulton, New Haven, Newark, North Shade, and Washington townships. The election results for LAA #2 are:

**Doreen Slavik** - Elected to the COC  
**Kevin Craig** - 1<sup>st</sup> Alternate to COC

FSA appreciates all of the voters for taking the time to complete the election ballot. The County Committee system works because of your participation.

### ***Outgoing Committee Member***

After six years as a COC member, Chuck Humphrey decided not to put his name on the ballot in 2009. Chuck's insight and knowledge have been very beneficial to the Committee. He has been a valuable source of information and an excellent committee member. We deeply appreciate his dedication, his hard work, and his willingness to serve on the COC. The Gratiot FSA thanks Chuck for all he's done.

Dates to Remember	
December 25 <sup>th</sup>	FSA office closed
January 1 <sup>st</sup>	FSA office closed
January 18 <sup>th</sup>	FSA office closed
March 15 <sup>th</sup>	NAP closing date for spring planted crops
June 1 <sup>st</sup>	Deadline to enroll in DCP and ACRE programs
June 30 <sup>th</sup>	Deadline to certify fall seeded small grains
July 15 <sup>th</sup>	Deadline to certify spring planted crops and CRP
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program and Conservation Reserve Enhancement Program (CREP) - where available

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***Happy Holidays!***

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