



# Huron County News

Huron County  
USDA Service Center

Huron County FSA  
1460 S. Van Dyke Rd.  
Bad Axe, Michigan 48413  
(989) 269-9549 (phone)  
(989) 269-8421 (fax)  
www.fsa.usda.gov/mi

Hours  
Monday – Friday  
8:00 am – 4:30 pm

County Committee  
Debra Kubacki-Chair  
Ken Koroleski-Vice Chair  
Mark Roggenbuck-Member

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

Staff  
Kay Lumsden  
County Executive  
Director

Robert Catherwood  
Farm Loan Manager

Wendy Honoway  
Farm Loan Officer

Technicians  
Becky Aubuchon  
Douglas Gay  
Ava Hacker  
Connie Mattice  
Maggie Roggenbuck  
Susan Sauer



## DCP Signup

Signup is available for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can signup online or at local USDA service centers. **Signup has been extended until August 14, 2009.** The August 14, 2009 deadline is mandatory for all participants. **FSA will not accept any late-filed applications.**

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program. Once ACRE is elected for the farm it will remain enrolled in ACRE for the duration of the 2008 Farm Bill, regardless of owner/operator changes.

## ACRE Program

The Average Crop Revenue Election (ACRE) is a new program authorized by the 2008 Farm Bill that begins in crop year 2009. Through ACRE, USDA's Farm Service Agency (FSA) offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the

5-year state Olympic average yield and the 2-year national average commodity 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. Producers also elect to receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates.

A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. **The signup deadline has been extended to August 14, 2009** to allow ample time for you to make your decision.

## CERTIFICATION OF PLANTED ACRES

As soon as you get your 2009 crops planted, we encourage you to complete your acreage reports. June 30<sup>th</sup> is the deadline for fall seeded small grain crops, and July 15<sup>th</sup> is the deadline for all other crops. After July 15<sup>th</sup>, a late fee per farm will be assessed. It is mandatory to report these acres to receive the annual and counter-cyclical payments from the DCP program, and also land that is enrolled into the Conservation Reserve Program. Call ahead for an appointment. The annual rush has already started...so please do not expect to get in the day you call.

If you have not yet signed up for DCP/ACRE we will try to fit you in for both certification and sign-up. However, do not expect it to be a quick visit, it will take time.



### **Appointments Recommended**

We recommend you call to make an appointment before coming to the office to conduct business. This will enable us to prepare any necessary paperwork and research issues before your appointment. We realize how important your time is, and this will reduce the amount of time that you have to wait in the office.



### **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 four choices — an informal review with the original agency decision-maker, an opportunity for mediation, an appeal to the next level of authority within the agency, and finally the National Appeals Division.

## **New Forms to Complete**

Anyone wishing to receive a payment from the FSA Office will be required to complete new Farm Operating Plans (CCC-902I or E) and the Adjusted Gross Income Form (CCC-926). This means that Corporations will need to provide their Organizational minutes, and possibly a Resolution giving authority to sign to the individual member(s), plus documentation of each member's shares. Limited Liability Companies/Partnerships will need to provide their paperwork showing who the members are and what is their share of the company. Partnerships are at the very least going to have to provide their certificate of Co-partnership on file at the county courthouse. These forms will take time to complete and you may want to take them home to complete them. Payments will be held up until all documentation and forms have been submitted

## **Milk Income Loss Contract Program (MILC)**

Please continue to bring in milk production on a monthly basis. As long as you have provided the County Office with the current months milk production, we will be able to make the MILC payment as soon as we receive the payment rate. Because of the new "feed cost" adjustment, we have been receiving the MILC payment rate at the end of the following month.

Example: April's Milk production will be paid the first part of June (if production evidence has been provided). Likewise, May's production will be paid the first part of July.

## **ANNUAL PAYMENT LIMITATION NOTICE**

Payments for all FSA farm programs are governed by payment limitation and payment eligibility requirements. Payment limitations per person for 2009 are \$40,000 for Direct Payments (DCP); \$65,000 for Counter Cyclical Payments (DCP) and ACRE payments; \$50,000 for CRP; no limits for market gains and LDP's; \$100,000 for Disaster Assistance Programs; and \$100,000 for NAP.

## **Farm 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* is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm recon.

**Estate Method** — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

**Designation of Landowner Method** — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

**DCP Cropland Method** — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

**Default Method** — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. Request for recons should be filed by August 1.

## **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holding to the Secretary of Agriculture. Foreign persons who have purchased or sold land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property.



## **County Committee Elections:**

The County Committee Election is being held in Local Administrative Area #2, which is made up of the following townships: Pt Aux Barques, Port Austin, Hume, Dwight, Meade, Lincoln, Colfax, Verona, Sheridan, and Bingham. Ken Koroleski is our current member from this area and is up for re-election. All landowners and operators, located in these townships, should have received an "election" newsletter from the State Office which included a nomination form. Please read the newsletter and if you have any questions, contact the County Office.

## **Banking Changes?**

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This innovation has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact the FSA county office so we can update our files to insure continued uninterrupted service.

## **Signature Requirements**

We are required to verify that signature authority is on file before accepting a signature on any program or related documents on behalf of another. Producers can present evidence of signature of authority such as presentation of the original document, corporate charter, by-laws, court orders of appointment, trust agreement, last will and testament, or articles of partnership. The FSA-211, Power of attorney form can be completed to grant signature authority to another individual or entity. Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided. This procedure does not apply to the commodity loan or Loan Deficiency Program. Spouses may not sign FSA-211 on behalf of the other as an authorized signatory for partnerships, joint ventures, corporations or other similar entities.

## **Farm Storage Facility Loans**

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, corn, barley, oats and soybeans.

Farm Storage Facility Loans are available for the purchase and installation of new permanently affixed eligible storage facilities. All farm storage facility loans are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. These loans require a 15 percent down payment and are for a term of seven years. Loans to erect new storage facilities are available at the attractive interest rate of 2.625% during the month of June.

## **Conservation Compliance Reminder**

All participants in USDA programs are required to have a conservation system in place on all the highly erodible land they operate. Several areas where problems can arise when complying with a conservation system are: renting new cropland, purchasing new cropland, breaking out additional cropland, shortening an established cropping rotation, planting new crops, and changing or removing existing conservation practices.

It is very important that you contact the FSA office BEFORE doing any of the above. Also, it is very important that you contact your local County office BEFORE modifying (tiling, draining, dredging, filling or leveling) any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and program eligibility.

Visit our Web site at:  
[www.fsa.usda.gov/mi](http://www.fsa.usda.gov/mi)



## Farm Record Changes

We strongly encourage you to report all farm record changes to this office as soon as possible. This will save you time and current records make for a more accurate and efficient sign up.

## Special Accommodations

Reasonable accommodations will be made, upon request, for individuals with disabilities, vision impairment, or hearing impairment to attend or participate in meetings or events sponsored by the Farm Service Agency. If you require special accommodations to attend or participate in one of our events, please call the FSA county office and we will be happy to make any needed arrangements.



Dates to Remember	
June 30 <sup>th</sup>	Fall seeded small grain acreage reports due
July 3 <sup>rd</sup>	Office closed for the observance of Independence Day
July 15 <sup>th</sup>	All other crop acreage reports due, except fall seeded small grains
August 1 <sup>st</sup>	Last day to report farm record changes/request reconstitutions
August 3 <sup>rd</sup>	Last day to submit COC nominations
August 14 <sup>th</sup>	Signup for DCP/ACRE deadline
Continuous	Farm Storage Facility Loans
Continuous	Conservation Reserve Enhancement Program
Continuous	Continuous Conservation Reserve Program

### FSFL Interest Rate

May	2.375%
June	2.625%

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information ( Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

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.