



Ionia County News

Ionia County USDA Service Center

Ionia County FSA
431 Swartz Ct., Ste 300
Ionia, MI 48846-2157
616-527-2098 (phone)
616-527-9055 (fax)
www.fsa.usda.gov/mi

Hours

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

County Committee

Steven Buche
Jeffery Sandborn
Ronald Brownell
Mary Seidelman, Advisor

County Committee meets
First Tuesday of each
month at 7:30 a.m.

Farm Program Staff

Linda Kline - CED
Sandy Meyers
Bill Brandt
Lindy Lindberg
Diana Spitzley

Farm Loan Staff

Sara Possehn, FLO
Vicki Carr
Kathryn Marshall

Field Reporters

Ken Carr
Brian Pinkston



Direct and Counter Cyclical Program -DCP Sign-up

Signup for the 2009 Direct and Counter-Cyclical Program (DCP) continues until June 1, 2009. **The June 1, 2009 deadline is set for all participants. FSA will not accept any late-filed applications.**

DCP payments are computed using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. In 2009 you may request to receive advance direct payments based on 22 percent of the total direct payment for each farm. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

Eligible producers for the DCP Program are also eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin later in the spring. **You may first enroll in the DCP Program and then later modify your enrollment to the ACRE program** or you may wait and elect to enroll in ACRE later in the spring. Currently we are unable to enroll farms into ACRE since the procedure and software have not been released.

Remember June 1 is the deadline for DCP enrollment!

From the CED's Desk

The passage of the farm bill created many program changes at FSA. One area that seems to be especially confusing is ACRE. The sign up for this program will start later this Spring. **You can sign up for DCP now and enroll in ACRE later.** Since we are unable to sign people up for ACRE at this time, I am concerned that some people will become busy with spring field work and will forget to sign up for DCP by June 1. **I encourage you to call the office and make an appointment now to help ensure you don't miss the DCP deadline.**

All producers and owners who receive payments will be required to file new eligibility forms. The forms are more complicated and more information must be provided for the farming operation. The purpose of these forms is to determine that all who receive payments are actively engaged in farming. There are new provisions that will directly attribute payments to individuals. This will help assure that no one individual exceeds payment limitations by being a member of many entities. New adjusted gross income provisions apply to all participants.

Entities will need to supply additional verification for their operation. Corporations will need to provide their organizational minutes, and the resolution or minutes that give individual members authority to sign. Documentation must be provided showing each member's share in the entity. Limited Liability Companies, LLCs, will need to provide paperwork showing all members and their share in the company. Partnerships will need to provide similar documents that provide ownership details for the partnership.

Please call us for an appointment. We look forward to helping you enroll in the programs that are available through FSA.

2009 Crop Certification Update

As in the past, when you certify your acreage we will need to know both the crop planted and the date it was planted. All cropland must be reported to receive many FSA benefits.

The final date to certify fall seeded crops such as wheat, is June 30.

The final date to certify all other spring seeded crops is July 15.

A reminder this year to report the intended use of the crop. We will need you to report if the crop is intended to be harvested as grain, harvested as silage, or intended to be grazed, etc. This information is required for the new disaster program SURE and other Farm Bill Programs. Also keep in mind that you will be certifying the intended use of the crop at the time of planting and intended use will not be revised.

This year you must be more specific with alfalfa, pasture, and grass. We will need to know what percent of alfalfa is in the mix and the crop's intended use. For pasture and grass we will need to know the types of grass, if it is native or improved and its intended use, grazing or hay (forage).

Additionally, for each crop we will need to know if it is irrigated. You must also report failed and prevented planted acreage.

FSA Farm Loan Programs: Michigan's Lender of First Opportunity

FSA offers Michigan's farm families access to affordable credit through a wide variety of lending opportunities. Our seasoned and knowledgeable staff specializes in tailoring our loan products to meet the needs of your operation. Beyond simple access to agricultural financing, FSA is an industry leader in providing supervised credit. This means we help farmers with farm planning, credit counseling, financial planning, and farm and financial education throughout the term of the loan.

FSA offers a wide spectrum of lending options that can be tailored to an individual's situation. We can make direct fixed rate farm ownership loans (FO) and fixed rate farm operating loans (OL) each with a maximum amount of \$300,000. We can also work with the borrower's local agricultural lender to guarantee commercial credit for both operating and ownership loans of up to \$1,094,000. In general, farm ownership funds may be used to purchase or enlarge a farm, purchase easements or rights of way needed in the farm's operation, erect or improve buildings, implement soil and water conservation measures, and pay closing costs. Guaranteed FO funds may also be used to refinance debt. Operating loan funds may be used to purchase livestock, poultry, farm equipment, feed, seed, fuel, fertilizer, chemicals, insurance, and other operating expenses. The funds also may be used for closing costs, and to reorganize and refinance certain debt.

Every situation is different. Contact Sara Possehn at Ionia FSA 616-527-2098 for additional information.

SPOUSAL SIGNATURES

Spouses may sign documents on behalf of each other for many FSA programs unless written notification denying a spouse this authority has been provided to the county office. This does not apply to commodity loans, farm loans, or the Loan Deficiency Program (LDP). Spouses must have an FSA-211 on file to sign commodity loan documents or LDP applications on behalf of each other.

10 BASE ACRES OR LESS

For 2009 and forward, Farms with 10 base acres or less are NOT eligible to receive payment under DCP unless the owner is requesting payment and the owner is Socially Disadvantaged or a Limited Resource Farmer.

Farms with 10 base acres or less may now be combined with another farm through a reconstitution if all other reconstitution requirements are met.

Land under separate ownership may be combined if **ALL** of the following apply:

- the resulting farm meets the definition of a farm
- all owners agree in writing
- the land is under a lease agreement for at least 1 year



Sodbuster, Swampbuster

Most USDA programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop (sodbuster), as determined by the Natural Resources Conservation Service (NRCS). In addition, USDA participants are prohibited from converting wetlands for agricultural production purposes (swampbuster) and planting an agricultural commodity on converted wetlands.

Be sure to have determinations made on any new land you plan to plant to annual crops. If you plan to plant a different crop on your current cropland that does not have a previous NRCS determination, check with NRCS to assure the new crop will qualify under your conservation system and complete a new AD-1026 form at FSA prior to such activities.

Swampbuster provisions state that converting a wetland, to make the planting of a crop possible, will result in the loss of all USDA benefits. To avoid problems it is strongly recommended that producers check with NRCS before doing any clearing, tiling, or maintenance on existing tile. This includes clearing of woodlots.

SAFE And Continuous CRP Available

At this time USDA has no general signups scheduled for the Conservation Reserve Program (CRP) in 2009. However, environmentally sensitive acreage qualifying for the Conservation Reserve Program State Acres For Wildlife Enhancement (SAFE) Practice, and Continuous CRP will still be eligible for enrollment. These targeted programs remain funded, and continue to provide heightened environmental and financial benefits to select areas.

Ionia County is eligible for the SAFE Practice. There is a signing incentive payment, cost share and a practice incentive payment that reimburses much of the cost of establishment. Call the office for more information.



Maintaining CRP Cover

Cover maintenance for CRP is the participant's responsibility and must be done according to the conservation plan. All activity such as mowing, burning, and spraying must be conducted outside the primary nesting season for wildlife. In Michigan this is after August 1 and before August 24. Call the office if you have questions.

ACRE Program "NEW"

Beginning with the 2009 crop year, producers will have the option to participate in a state-level revenue protection program instead of the counter/cyclical (CC). The program is set up per farm number, the same as DCP. Only farms with previously established bases are eligible.

ACRE election is optional and can be made in any of the next 4 years beginning with the 2009 crop year, **but once the election is made the farmland will stay in the program through 2012 or later.**

Producers who choose to participate in ACRE will:

1. Not receive a CC payment on enrolled farms.
2. Receive a 20 percent reduction in direct payments on enrolled farms.
3. Receive a 30 percent reduction in marketing assistance loan rates on enrolled farms.

ACRE payments are made only if two triggers are met. First, state per acre revenue must be less than the state guarantee. Second, a producer must have an actual revenue loss for the crop on the farm. If the triggers are met, the producer will receive an ACRE payment.

The payment is equal to the difference between the state per acre revenue guarantee and the state actual revenue calculation, times 83.3 percent (85 percent for 2012) of the acres planted on the farm or total base acres of the farm, which ever is less; times the farms expected yield average divided by the state benchmark yield.

The best way to determine if your farm will benefit from the ACRE program is to search on-line using the words "ACRE calculator 2008". Please note procedure has not been finalized and there may be changes to the program. We cannot enroll farms in ACRE at this time.

Remember, you can sign up for DCP now and still be eligible to change to the ACRE program.

Call for an appointment today.



Dairy Prices Trigger MILC Payments

Due to low milk prices FSA will be making payments for February production to producers through the FSA's Milk Income Loss Contract (MILC) program. These payments are scheduled to be made in April. The 2008 Farm Bill made changes to the MILC program, including the addition of a dairy feed ration cost adjustment, changes to the payment rate and modifications to the per-operation pound-age limit.

FSA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted for feed costs. The monthly Boston price is posted online at: http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_mainnew.htm#Advance.

FSA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 MILC payment trigger price, and multiplying the difference by 45 percent. The payment factor of 45 percent will decline to 34 percent on September 1, 2012.

FSA issues payments not later than 60 calendar days after FSA receives production evidence for the applicable month or the entire month's National Average Dairy Feed Ration Cost is posted for the applicable month, whichever is later.

FSA makes payments on up to the maximum eligible pounds of milk produced and marketed by each operation per fiscal year. The annual maximum eligible pound limit per dairy operation is 2,985,000 pounds per fiscal year. The amount drops to 2.4 million pounds per fiscal year on September, 1, 2012.

MILC participants must select a month for which FSA will begin issuing payments for each fiscal year. Starting with the dairy operation's selected month, FSA will issue MILC payments based on that month's milk production and the milk production for each consecutive month thereafter with the effective payment rate until the operation reaches the production cap or the fiscal year ends.

More information about the MILC program can be found on the FSA website <http://www.fsa.usda.gov>.

COUNTY COMMITTEE

Jeff Sandborn was elected to serve another 3 year term on the FSA County Committee (COC) for LAA 3 through 2011. Congratulations to Jeff and thank you to all who participated in the election process!

Mary Seidelman was re-appointed to serve as the COC Advisor for a one year term expiring February 28, 2010. Congratulations to Mary!

We appreciate the dedication of all the Committee Members and the Advisor!

PAYMENT ELIGIBILITY AND PAYMENT LIMITATION PROVISIONS

The Food, Conservation, and Energy Act of 2008 made significant changes to payment eligibility and payment limitation provisions.

In order to qualify for program payments an operator must be determined actively engaged in farming. Landowners who farm on shares may qualify under special land owner provisions.

Each of the partners, stockholders, or members of an entity must make a contribution of active personal labor and/or active personal management to the entity. These must be performed on a regular basis and be documentable, and separate and distinct from other members. Additional provisions apply. **Call to schedule an appointment to fill out the new paperwork.**



| Dates to Remember | |
|-------------------|---|
| 3-31-09 | Final date to request a 2008 commodity loan on wheat, barley, oats, & honey |
| 5-25-09 | Office Closed - Memorial Day |
| 5-31-09 | Final date to request a 2008 commodity loan on corn and soybeans |
| 6-1-09 | Final day to enroll in DCP |
| 6-30-09 | Final date to report fall seeded crops |
| 7-15-09 | Final date to report spring seeded crops |
| Continues | Farm Storage Facility Loans |
| Continues | Continuous Conservation Reserve Program |

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

CRP

Landowners in the Conservation Reserve Program (CRP) must certify compliance on their CRP acreage by signing a FSA-578. This must be completed every year by July 15!

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, audiotape, 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.