

September 2013



Ionia County FSA Updates

- Important Dates to Remember
- Noninsured Crop Disaster Assistance
- New Requirements for Marketing Assistance Loans
- Direct Deposits and Banking Changes
- 2013 County Committee Elections
- Foreign Owners Notification

Ionia County FSA Office

431 Swartz Ct, Ste 300
Ionia, MI 48846

Phone: 616-527-2098
Fax: 616-527-9055

Hours: Monday - Friday
8:00 AM - 4:30 PM

County Executive Director
Jenifer A. Taylor

Program Technicians
William Brandt
Carolyn Lindberg
Diana Graef

County Committee Members
Steve Buche
Jeff Sandborn
Amanda Powell

County Committee Advisor
Allison Badder

Farm Loan Manager
Paul E. Wagner

Farm Loan Officer
Sara Possehn

Next County Committee Meeting: December 5, 2013 at 8:00 AM

Important Dates to Remember

September 30 - Final date to purchase NAP coverage on forage crops

October 14 - Office closed to observe Columbus Day Holiday

November 1 - Deadline for Milk production for October 2008 through September 2013

November 11 - Office closed to observe Veterans Day

November 15 - Final date to report your **2014** perennial forage (alfalfa, hay, mixed hay, pasture), fall-seeded wheat, rye and all other fall seeded small grains

NOTE: Beginning with the November 15, 2013, certification deadline for 2014 crop year perennial forage certifications, a late filing fee will be assessed on crops certified after their respective reporting deadline.

November 20 - Final date to purchase NAP coverage on asparagus, blueberries, cane berries, cherries, grapes, nectarines, peaches, pears, plums, rhubarb and strawberries

November 28 - Office closed to observe Thanksgiving Day

December 1 - Final date to purchase NAP coverage on honey and maple sap

Noninsured Crop Disaster Assistance

The noninsured crop disaster assistance program (NAP) is a federally funded 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 the FSA office no later than the application closing 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.

New Requirements for Marketing Assistance Loans

A Marketing Assistance Loan or commodity loan is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or Commodity Credit Corporation (CCC) takes title to the commodity. Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

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.

There are several important changes to 2013 commodity loan requirements. Recently the State of Michigan adopted certain changes to the Uniform Commercial Code (UCC) including filing financing statements and determining correct debtor name. The UCC governs commercial transactions. UCC financing statements are filed as a public notice of a security interest in collateral. Record searches are requested to reveal financing statements filed against an organization or individual. For example, when a borrower pledges collateral to obtain a loan, a UCC financing statement tells a creditor whether others have financing statements against the same collateral.

Some of the major changes are as follows:

- Confirmation of name for security purposes is the name on the customer's current driver's license.
- Business entities and other registered organizations must prove the entity has filed documentation with the state, and what is provided for in the organization's charter.
- A copy of the driver's license for individuals and all entity members and copies of entity documents shall be obtained for all new activity that requires UCC document preparation.

For individuals, the proper name for security perfection purposes is the name on the driver's license. A copy of the driver's license must be on file with the Ionia County FSA Office before we can begin processing a loan. **For married individuals, a copy of the spouse's driver's license will need to be provided along with the borrower's.**

For business entities and other registered organizations, the UCC must contain the name as most recently filed with the state and provided in the organization's charter or other constitutive documents. This may include but is not limited to: Articles of Incorporation, LLC Articles of Organization, Partnership Agreements, etc. and any amendments. A copy of the first page stating the entities name shall be provided to the County Office.

Direct Deposits and Banking Changes

If you changed banks and did not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account. If we are not aware of changes to your account and routing numbers there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in a producer's account such as type account, bank mergers, routing number or account numbers be provided to the county office promptly to avoid possible payment delay.

2013 County Committee Elections

The election of agricultural producers to the Farm Service Agency (FSA) county committees is important to all farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture.

County Committee (COC) members are a critical component of FSA operations. The intent is to have the COC reflect the makeup of the producers and represent all constituents. This means that minorities, women or lower income producers need to be on the committee to speak for underrepresented groups.

COC election ballots will be mailed to eligible voters on November 4, 2013. The last day to return completed ballots to the USDA Service Center is December 2, 2013.

Foreign Owners Notification

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. Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. For AFIDA purposes, agricultural land is defined as any land used for farming, ranching or timber production, if the tracts total 10 acres or more.

Failure to submit the AFIDA form 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.

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USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).