



INGHAM/LIVINGSTON COUNTY FSA OFFICE

8:00 am – 4:30 pm
521 N. Okemos St.
Mason, MI 48854
517-676-4644 ext 2
Fax 517-676-7011

STAFF

Ronda K. Bozek-Smith, CED
JoAnna Rogers, PT
Karen Vozarik, PT
Gretchen Wasper, PT
Ralph Huss, Field Asst.

FARM LOAN PROGRAM

Dave Hemker, FLM
989-723-8263 ext. 2

COMBINED COUNTY COMMITTEE

Jeff Oesterle, Chairperson
Terrance Butler
Vern Elliott
Gary Hoisington
Joan Wright
Jeannie Igl, Advisor

**2009 FEDERAL HOLIDAYS
FSA Office Closed**

Jan. 19... MLK Jr. Birthday
Feb. 16... Washington's Birthday
May 25... Memorial Day
July 3 Independence Day
Sept. 7... Labor Day
Oct. 12... Columbus Day
Nov. 11... Veterans Day
Nov. 26... Thanksgiving Day
Dec. 25... Christmas Day

Controlled Substance

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium, poppies and other drug producing plants.

IMPORTANT INFORMATION FROM YOUR FARM SERVICE AGENCY OFFICE FOR INGHAM AND LIVINGSTON COUNTIES

Newsletter #1 – January 21, 2009

COC ELECTION RESULTS ARE IN!

Congratulations to Terrance Butler! Terrance Butler was elected to represent farmers from LAA #5 which represents Handy, Howell, Iosco, Marion, Genoa, Brighton, Unadilla, Putnam, Hamburg and Green Oak Townships on the county committee. Terrance Butler was elected to 3 year term. The election results for Local Administrative Area # 5 are: Terrance Butler — Elected to the county committee (COC), Richard Burma — 1st alternate to COC, Terry Donal — 2nd alternate to COC

FSA appreciates all of the voters who took the time to complete the election ballot. The county committee system works only because of your participation.

At their January 9, 2009 organizational meeting the COC voted and the Ingham and Livingston Committee for 2009 is: Jeff Oesterle, Chairperson; Vern Elliott, Vice-Chairperson; Joan Wright, Gary Hoisington, Terrance Butler are Members.

DATES TO REMEMBER

- **January 31, 2009** - Last day to request 2008 Wool, Mohair, and Unshorn Pelts Loans and LDPs
- **February 27, 2009** – Deadline to sign up for 2005-2007 Crop Disaster for both quantity and quality losses!
- **March 15, 2009** – Deadline to purchase NAP coverage on spring non-insurable crops
- **March 31, 2009** - Deadline for 2008 Wheat and Honey loans and LDPs
- **May 31, 2009** - Final date to request 2008 Corn and Soybean Loans and LDPs
- **June 1, 2009** – Deadline to Enroll in 2009 DCP program
- **June 30, 2009** – Deadline to timely report 2009 fall seeded crops (Planted in 2008)
- **July 15, 2009** – Deadline to timely report 2009 Spring seeded crops

**PLEASE REMEMBER TO MAKE AN APPOINTMENT BEFORE VISITING THE INGHAM COUNTY FSA OFFICE
Call 517-676-4644 Ext. 2**

MILC Sign Up Underway

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

For more information on the MILC program, contact the Ingham/Livingston USDA Service Center.

View this newsletter on line! Go to:

<http://www.fsa.usda.gov>

Click on State Offices at the top, select Michigan from the map and click on Newsletters in the left hand

DCP Signup Underway

Signup has started 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 will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be

accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA computes DCP Program payments using base acres and payment yields established for each farm. Eligible producers receive direct payments at rates established by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments later this month, if requested. 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.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the ACRE Program will begin in the spring. You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program or you may wait and elect to enroll in DCP and ACRE at the same time in the spring of 2009. 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. Look for further information to be forthcoming.

Payment Limits & Direct Attribution

For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI of \$500,000**. A person or entity shall not be eligible for commodity, price support and disaster programs if the non-farm AGI exceeds \$500,000. Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to \$750,000 per year from farm income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program.

For Conservation Programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived

from farming, ranching and forestry operations. In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected.

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

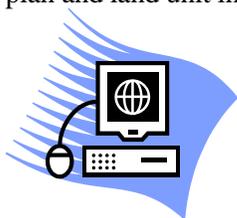
Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or the individuals of an entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination thereof; and (2) personal labor or active personal management, or a combination thereof. For more detailed information contact your local FSA office.

Customer Statement

January signals the beginning of a new year, and a time to start thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that's at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit information.



RECONSTITUTION REMINDER...

What Are the Available Methods of Division?

Estate Method

The estate method is the division of bases for a parent farm among heirs in settling an estate.

Designation by Landowner Method

The designation by landowner method is the division of bases in the manner agreed to by the parent farm owner and purchaser or transferee.

DCP Cropland Method

The DCP cropland method is 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 default method is 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.

REMEMBER TO NOTIFY FSA:

In order for us to serve you better, please contact our office with any record changes in your farming operation such as:

Development – any new parcels of land removed for houses needs to be reported.

Owner/Operator – report any changes in land ownership, tenants or crop share agreements.

Reconstitutions – changes that require farm combinations or divisions due to sale of land or change in operators should be reported as soon as possible.

Farm Operating Plan – Any changes to the farming operation that may have an effect on “actively engaged” determinations.

Update AD-1026 – when you pick up any new acreage, or plan to clear, drain, or put in tile on existing cropland. Making these changes without prior approval by NRCS can result in loss of USDA program benefits.

Address – Any contact information change should be updated for notification purposes.

Direct Deposit – If you have changed accounts or bank, updates are needed to ensure payments are deposited correctly and in a timely manner.

WOOL AND MOHAIR



The final date to request a loan or LDP on wool or mohair harvested in 2008, is January 31, 2009. Since the market price has been below the loan rate there has been a loan deficiency payment in effect.

The 2009 wool and mohair season has started. Sheep owners must come in to sign a CCC-633EZ prior to selling their 2009 production. Please call for an appointment.

Foreign Landowners Reporting Requirement

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. The Farm Service Agency administers this program for USDA. 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. Failure to submit the AFIDA form could result in civil penalties of up to 25% 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.

THINKING OF TILING OR CLEARING LAND?

Don't forget the Highly Erodible Land and Wetland Provisions. Bringing new land into production by **clearing trees, improving drainage by tiling or dredging are potential violations of the HEL/WC rules**. Before you begin any land conversion project, please come into the county office to file form AD-1026. Natural Resources Conservation Service will make an evaluation of your land to determine how to manage the wet areas of your land most efficiently. Checking ahead of time will help keep you eligible for USDA benefits.



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.