



Isabella County News

Isabella County USDA Service Center

Isabella County FSA
5979 E Broadway Rd
Mt Pleasant, MI 48858
989-772-5927 (phone)
989-773-0480 (fax)

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

County Committee
Joyce Connors, Chair
Bill Brewer
Jim Judge, Jr.

Program Technicians
Becky Dickman
Kim Gibson-Leonard
Connie Moeggenborg
Colleen Schuldt

Farm Loan Trainee
Jon LaPorte
Teresa Fejes

Farm Loan Officer
Betty Garrett

Farm Loan Manager
Jerry Spickerman

**County Executive
Director**
Bob Thompson

County Committee Meetings

1st Tuesday of each
month

Website
www.fsa.usda.gov

Public Meeting – 2008 Farm Bill

On **February 18, 2009** from **1:00 – 3:00 PM** in **Room 320** of the Isabella County Building FSA officials will join representatives from MSU Extension, Greenstone Farm Credit, Isabella Bank and Trust, and other sponsors to present information about new 2008 Farm Bill programs. The new disaster program initiative **SURE**, the expanded basic **DCP** and the new **ACRE** program will be discussed along with risk protection and financing options.

Emergency Loans Available for 2008 Disaster Conditions

Isabella County has been designated a disaster county due to the following 2008 conditions:

- 1) Drought that occurred May 1, 2008 thru September 17, 2008. Applications need to be filed by August 19, 2009.
- 2) Frost-freeze events that occurred March 1, 2008 through May 31, 2008. Deadline for application is August 31, 2009.
- 3) Excessive rain, flooding and high winds occurring April 12, 2008 thru September 16, 2008. Application deadline is August 31, 2009.

These designations make qualifying family size farm operations eligible for low interest Emergency Loans (presently the interest rate is 3.75%). Emergency Loans help cover production and physical losses caused by the disaster conditions.

To qualify, you must have suffered at least a 30% loss in one major crop and be unable to obtain financing at reasonable rates and terms from a commercial lender. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available, repayment ability, etc.

Producers having questions are encouraged to contact Jerry Spickerman, Farm Loan Manager, or Betty Garrett, Farm Loan Officer at 989-772-5927 ext. 2.

FSA Operating or Ownership Loan Availability

Farmers that intend to apply for Farm Service Agency loan assistance for the upcoming crop year are encouraged to file their applications as early as possible.

Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in processing delays, due to the volume of applications, which are required to be processed in date order.

Contact your local FSA farm loan manager or loan officer at (989) 772-5927 ext. 2 for more details and/or assistance in applying.

Selected Interest Rates for February 2009	
Farm Operating - Direct	2.125%
Farm Ownership - Direct	3.750%
Limited Resource	5.000%
Farm Ownership - Direct Down Payment for Beginning Farmers or the Socially Disadvantaged	1.500%
Emergency	3.750%
Farm Storage Facility	1.875%
Commodity Loans 1996-Present	1.375%

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone at 989-772-5927 ext 2.

Attention Producers, Landowners

- Do you intend to clear timber areas to create or expand existing crop areas?
- Are you converting pasture into crops?
- Are there any areas on your farm that you are considering cropping that have not been cropped in recent years?
- Is there a wet spot in a field that you want to drain to make cropping easier?
- Are you disturbing a wildlife habitat area of any type?
- Are you doing anything different on your farm this year?

These are questions that need to be considered each year by producers to assure that they may remain eligible for USDA benefits.

It is **very important** that you contact your FSA office before modifying (tiling, draining, dredging, filling or leveling) any wet area or drainage ditch. If these areas are later found to be a violation of USDA Wetland rules, failure to have obtained advance approval for any of these situations can result in loss of all USDA Farm Program benefits, including payments.

All participants in USDA programs are also required to have a conservation system in place on any highly erodible land (HEL) that they operate. Several areas where problems can arise with complying with a conservation system are; renting new cropland, purchasing new land, **breaking out additional cropland**, planting row crops such as corn or soybeans while changing or removing existing conservation practices.

If you have any question or concern that something you plan to do on your farm could jeopardize your eligibility for benefits, please contact FSA before you begin work.

Record Changes

If you have bought, sold or are renting different land, make sure you report the changes to the FSA office as soon as possible after they occur. For farm ownership changes you will need to provide a recorded deed or recorded land contract. **NEW** – changing a farms listed operator now takes a written statement from the land owner or a written lease.

Crop Protection Policies – Sales Deadlines

There are two ways to protect your investment in growing crops.

- Crop Insurance – purchased through private agents (list available for review at FSA office) for selected crops. Various insurance levels and options are available for certain fees. Check with a private agent for more details.
- NAP – purchased through FSA for all crops not covered by Crop Insurance. NAP covers a 50% (or greater) crop loss for an administrative fee of \$250 per crop per year with a maximum limit of \$750 per producer per county.

Notice – participation in most of the Supplemental Disaster Assistance Programs **requires** either Crop Insurance or NAP on all crops grown in a given year that make up 5% or more of your income.

The **deadline** to purchase Crop Insurance or NAP on most crops intended for harvest during 2009 is **March 15, 2009**.

Check with FSA for details.

NEW - FSA Payment Process

Important - FSA will no longer be issuing checks from the local office.

While FSA payments will be “triggered” at the local office, they are now required to be processed through the Federal Reserve Bank of the U.S. Treasury system.

Direct Deposit funds are expected to be in the designated producer account within 2-3 days.

If you switch banks, close an account or make any change at all to your account information, please ensure that FSA records are updated promptly or significant delay will occur.

If a producer does not have a Direct Deposit account and a check will be issued, please be aware it will be possible to experience delays of 7 days or more as checks will be processed and mailed from FSA’s Kansas City facility.

FOREIGN LANDOWNERS

Foreign landowners, who buy, sell or hold a direct or indirect interest in U.S. agricultural land **MUST** report their holdings and transactions to the Secretary of Agriculture.

Failure to timely file an accurate report can result in a penalty with fines up to 25 percent of the fair market value of the agriculture land.

Call FSA for details.

GOT COMPUTER?

Most every household has a computer. Some to play games, others for email and others to really use.

Really use your computer by getting your FSA Level 2 eAuthorization.

With it you can see your FSA farm payment history and file certain contracts and forms from home.

Future plans are to allow producers to access aerial maps and e-file crop certifications, too!

Call FSA for details.

Check with FSA for more details.
2009 DCP Signup Underway

MORE CONSERVATION

Check out the Continuous CRP (CCRP) Signup!

- grass waterways
- shallow wildlife areas
- annual payments
- cash incentives

Call FSA for details!

CONTROLLED SUBSTANCE

Any person who is convicted of planting, growing or harvesting a controlled substance, in violation of federal or state law, could be ineligible for USDA benefits.

COMMODITY LOANS AVAILABLE

Loan rates for 2008 crops:

Corn	\$1.82
Soybeans	\$4.94
Wheat	
White	\$2.15
Red	\$2.16
Oats	\$1.39
Barley	\$1.67

These are 9 month loans that can be repaid at any time during the loan period at the principal plus interest (calculated daily) or the FSA Posted County Price (PCP), whichever is to your advantage.

Call your local FSA Office for more details.

Signup for the 2009 DCP Program has begun and will run through **June 1, 2009**. Please call FSA at (989) 772-5927 for an appointment.

FSA computes DCP Program payments using farms base acres and payment yields established for each farm. Eligible producers receive direct payments at rates set by statute regardless of market prices. For 2009, you may request to receive advance direct payments based on 22 percent of the direct payment. The 2009 rates are the same as 2008.

Counter-cyclical payments, which depend on end of marketing year final prices, are issued when the effective price for a commodity is below its established target price.

Farms eligible to be enrolled in the annual DCP Program are also eligible to be enrolled in Average Crop Revenue Election (ACRE) Program on an farm by farm basis.

Because little specifics are known about ACRE, producers are encouraged to enroll in DCP (where advance direct payments may be issued) and than will be allowed to change to ACRE later this spring after information is available and ACRE signup has begun.

Please note: Once ACRE is elected for an FSA farm it will remain enrolled in ACRE for the duration of the 2008 Farm Bill.

ACRE – general information

The ACRE program provides a safety net based on State revenue losses 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. For the 2009 crop, the 2-year price average will be based on the 2007 and 2008 crop years.

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 (85 percent in 2012) of the farm's planted

acres times the difference between the State ACRE guarantee and the State revenue times the ratio of the farm's yield divided by the State expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base acres on the farm. Participating in ACRE, the farm will **not** receive counter-cyclical payments, a farm's direct payment will be reduced by 20 percent, and commodity loan rates are reduced by 30 percent.

Again, the decision to enroll in the Average Crop Revenue Election (ACRE) program is **irrevocable**. All owners on the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm will remain enrolled in ACRE through the 2012 crop year.

Payment Limitations and Direct Attribution Rules

For commodity and disaster programs under the new farm bill, the Adjust Gross Income or (AGI) limitation has been reduced from \$2.5 million from all sources to a 3-year average **non-farm AGI of \$500,000**. Any individual or entity shall not be eligible for price support, commodity, or disaster programs if their 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 adjusted gross farm income in order to qualify for direct payments issued under the DCP Program.

Each program participant will be required to file an annual certification of their 3-year average AGI. For 2009, the 3-year average AGI will use 2005, 2006 and 2007. For 2010, the 3-year average AGI will use 2006, 2007 and 2008. This pattern will repeat itself throughout the life of the 2008 Farm Bill.

For conservation programs, the nonfarm AGI limitation is \$1 million or less, however, any individual or entity that exceeds that amount can remain eligible but must show 66.66% 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.

ADDRESS CHANGES

FSA is now mailing county newsletters from a central site in Lansing.

If you receive multiple newsletters at the same address – or – are not interested in the material provided,

PLEASE

Let FSA know so that the necessary corrections can be made to future mailings

If you know someone who would benefit from this newsletter, please have them contact FSA.

Program payments will also be 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.

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 entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination; and (2) active personal labor or active personal management, or a combination.

For more detailed information contact your local FSA office.

Dates to Remember

Feb 16	President's Day USDA offices closed.
Mar. 15	Deadline to purchase Crop Insurance – sold through private agents – list available at FSA
Mar. 15	Deadline to purchase Non-insured Crop Disaster Assistance Program (NAP) at FSA
Mar. 31	Final Loan/LDP availability date for 2008 Wheat or Oats
May 25	Memorial Day USDA offices closed
May 31	Final Loan/LDP availability date for 2008 Corn or Soybeans
June 1	2009 DCP Enrollment Deadline
Continuous	CREP – CCRP Signup
Continuous	Farm Storage Facility Loans

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To file a complaint of Discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, D.C., 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.