



Lapeer-Oakland County News

October 2009

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Lapeer/Oakland County FSA

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Web Sites

www.fsa.usda.gov
www.sc.egov.usda.gov
www.fsa.usda.gov/mi

Hours

Monday – Friday
8:00 a.m. – 4:30 p.m.

County Committee

Jerry Cooper
Barbara Knust
Mary Barber
Dennis Fogler
Terry Losh

County Committee meets
2nd Tuesday of the month

Staff

Andrew Calcaterra CED
Dave Hemker FLM
Marlene Chesney FPPT
Diane Koehler FPPT
Susan Swosinski FLPT
Tara Eldridge FPPT
Lloyd (Doc) Russell, Field

Dates to Remember

Sept 30 – NAP sales closing date for 2010 small grains, fall mint, fall speltz and forage crops
Oct 12 – Office closed for the Observance of Columbus Day
Nov 11 – Office closed for the Observance of Veterans Day
Nov 20 – NAP sales closing date for perennial crops
Nov 26 – Office Closed for the Observance of Thanksgiving
Dec 1 - NAP sales closing date for honey and maple sap
Continues – Farm Storage Facility Loans
Continues – Continuous Conservation Reserve Program & CRP-SAFE

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount of a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables - cold storage facilities

Biomass Crop Assistance Program

FSA is currently accepting applications from biomass facilities interested in participating in the Biomass Crop Assistance Program (BCAP).

Once an agreement is signed between FSA and a facility and funding through the program is provided, the facilities can begin accepting materials. Producers who sell these materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received from a qualified biomass conversion facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass producers with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers, who market eligible material to a qualified biomass conversion facility, may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the county office and information provided under the terms of MOUs with the qualified biomass conversion facilities. CHST payments will not be authorized until after an appropriate environmental analysis has been conducted.

Biomass conversion facilities and material owners or producers should contact their FSA state offices or visit www.fsa.usda.gov for more information.



Continuous CRP & SAFE

At this time USDA has no general signups scheduled for the Conservation Reserve Program (CRP). 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.



Continuous CRP

The Continuous Conservation Reserve Program is a private lands environmental improvement program that allows participants the opportunity to enroll environmentally sensitive acreages in conservation practices that will reduce soil erosion, improve water and soil quality and provide wildlife habitat and food sources.

The Continuous CRP program is a voluntary enrollment program. Eligible landowners enter into contracts that range from 10 to 15 years in length. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

For more information on Continuous CRP enrollments, please contact your local FSA office.

Non-Insured Assistance Program (NAP) Coverage

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each commercial crop or agricultural commodity, except livestock, for which CAT is not available.

The application deadline date for the 2010 NAP coverage for small grains, fall mint, fall speltz and forage crops is September 30, 2009. Producers who already have coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee. Producers with NAP coverage must remember to complete the following to qualify for benefits:

- Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.
- File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

For more information on NAP coverage please contact your nearest Farm Service Agency office.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more that 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 percent of the county's median size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Sodbuster and Swampbuster Provisions

Most USDA programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on highly erodible land planted to an annual crop, as determined by the Natural Resources Conservation Service (NRCS). USDA participants are prohibited from converting wetlands for agricultural production purposes and planting an agricultural commodity on converted wetlands, as determined by NRCS. Be sure to have determinations made on any new land you plan to plant to annual crops. Swampbuster provisions state that converting a wetland to make possible the planting of a crop will result in the loss of all USDA benefits. To avoid this possibility it is strongly recommended that producers come into the FSA office ahead of time to file an AD-1026 for referral to NRCS. **It is necessary for NRCS to review any actions which could result in the modification of an area determined wet.** This includes any clearing of trees or brush (including fence rows), draining, dredging, filling, or plans to install, maintain or improve tile.

ECP Funds Available

The Emergency Conservation Program (ECP) provides emergency funding and technical assistance for farmers and landowners to rehabilitate farmland damaged by natural disasters and for carrying out emergency water conservation measures in periods of severe drought. Producers can use ECP funds for a variety of purposes, including removal of farmland debris, restoring fences and repairing conservation structures. FSA county committees determine land eligibility based on on-site inspections of damage, taking into account the type and extent of damage.

For land to be eligible, the natural disaster must create new conservation problems that:

- untreated, will impair or endanger the land;
- materially affect the land's productive capacity;
- represent unusual damage that, except for wind erosion, is not of the type likely to recur frequently in the same area; and
- would be so costly to repair that federal assistance is or will be required to return the land to productive agricultural use.

All of the above conditions must be met for eligibility. Conservation problems existing prior to the disaster are not eligible for cost-share assistance.

Producers should check with their local county FSA offices regarding ECP sign-up periods.

Final Payments for 2009 DCP

Enrolled producers can expect their final direct payment to be deposited directly into personal bank accounts sometime during the first few weeks of October.

Producers who did not elect to receive an advance direct payment will receive their entire direct payment for the year in one lump sum after the end of the government's fiscal year (Sept. 30).

The direct payment for a crop equals 83.3 percent of the farm's base acreage times (x) the farm's direct payment yield times (x) the direct payment rate.

If there are any unearned payments, Commodity Credit Corporation will automatically subtract those amounts from the final Direct and Counter-cyclical Program payments you are about to receive.

County Committee Elections

Just a reminder: Be watching your mailbox for your official county office committee election ballot starting early next month. Ballots will be mailed to all eligible voters starting on November 6, 2009. If, for some reason, you don't receive a ballot, feel free to notify the county FSA office. Completed and signed ballots are due back in the county office by the close of business on December 7, 2009.



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.

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. We will not provide this information to others, including realtors, without written consent from you.



Bank Account Changes

All FSA payments are to be made by direct deposit unless there is a financial hardship to prevent it. Producers need to notify us when accounts change to prevent a delay in payments.

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.

Special accommodations will be made upon request for individuals with disabilities, vision impairment, or hearing impairment. If accommodations are required, please contact Andrew Calcaterra at (810) 664-0895, by phone or in person.