



Lenawee County News

IMPORTANT!

ANOTHER "BUY-IN" OPPORTUNITY IF YOU ARE NOT CURRENTLY ELIGIBLE FOR SURE 2008

The sales closing dates for catastrophic insurance and NAP have passed for 2008 (and 09). Last year a waiver was authorized to allow producers to pay a buy-in fee to be eligible for SURE on crops for which they did not obtain coverage. The American Recovery and Reinvestment Act of 2009 authorized an additional waiver allowing producers another opportunity to pay a buy-in fee for 2008 eligibility. The "buy-in" does not provide coverage, only SURE eligibility. The final date is May 18, 2009. Producers who elect to purchase buy-in on crops must agree to obtain NAP coverage or crop insurance at or above the 70/100 coverage level for each commodity for 2010. Some producers will meet this requirement because they purchased such coverage for 2009. The fee is \$100 per county or \$900 for all counties. Previously paid buy-in fees will count toward the fee limits. Call for an appointment with Beth Wagner if you did not cover all 2008 crops.

Producers who are not eligible for SURE due to lack of insurance or NAP coverage for 2008, should strongly consider this buy-in extension.

SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS (SURE) PROGRAM

This program replaces past disaster programs for crops. Payments are earned when there is a revenue loss on all of a producer's farms combined. To be eligible, producers are required to have crop insurance or non-insured crop assistance (NAP) coverage on all crops, on all farms in the nation. An exception is a crop that is not economically significant (one which is not expected to contribute at least 5% of the farm's income.) For **SURE** to be available in a crop year, a "Secretarial" disaster declaration or a producer with a 50% revenue loss due to weather. Lenawee County did have a Secretarial Disaster declaration for 2008, therefore, producers who did obtain insurance or NAP coverage on all crops of economic significance will be eligible to apply for SURE when sign-up is announced.

Revenue losses cannot be determined until after the market year average prices have been determined (July 1 for wheat; October 1 for corn and soybeans). SURE payments equate to 60% of the difference between the guarantee and total farm revenue.

SURE, DCP and ACRE all use the same market year average price.

Lenawee County
USDA Service Center

Lenawee County FSA
1100 Sutton RD
Adrian MI 49221
517-263-7400(phone)
517-265-9121(fax)
www.fsa.usda.gov/mi

Hours
Monday - Friday
7:00 a.m. - 4:30 p.m.

County Committee
Alan Gould
Michael Feight
Jeffrey Ehlert

COC Advisor
Bonnie Hunt

County Committee meets
First Wednesday 8 am

Staff
Constance Reid Guffey
County Executive Director
114

Farm Program Section:
Jim Bills 104
Connie Rathbun 108
Debra Shiels 105
Ann Squires 100
Barbara Wagner 107
Beth Wagner 106

Farm Loan Section:
Michael Jordan
Farm Loan Manager 110
Rebecca Deline 111
Katie Gust 103
Judy Kellie 113
Susan Lerch 112



New Commodity Loan Repayment Rates

FSA began using an improved and more stable system for determining non-recourse marketing assistance loan repayment rates and loan deficiency payment rates for wheat, feed grains, pulse crops, oilseeds, wool, mohair and honey. Please contact this office for additional information.



CROP REPORTING TIME IS NEAR

It will soon be time to report your crops to us. When you have finished planting, give us a call for an appointment to file an FSA-578. The wheat and fall seeded crop reporting deadline is June 30th and spring seeded crops must be filed by July 15th.

To assist farmers in evaluating their options with SURE, USDA has created a SURE Calculator. Note that to qualify for SURE, producers need to obtain crop insurance or NAP coverage on all crops in all counties in all states. To utilize the Calculator, visit the website www.fsa.usda.gov/mi, and look under "Hot Links".

Please note that the calculator and instructions linked on the FSA website are for informational purposes only. This calculator in no way binds FSA to potential payments under SURE and should not be relied on as the sole source of information to make final management decisions.

Included in the Total Farm Revenue calculation are estimated crop value, CI indemnities, NAP payments, Market Assistance Loan proceeds, other disaster payments, DCP payments (15% of direct payments, plus cc payments and ACRE payments.)

USDA RESPONDS TO PRODUCER CONCERNS BY EXTENDING SIGN-UP DATE FOR DCP AND ACRE PROGRAMS

USDA has extended the sign-up deadline from June 1, to August 14, 2009, for both the Direct and Counter-cyclical Program (DCP) and the Average Crop Revenue Election (ACRE) Program. This additional 10 weeks gives producers more time to decide whether to participate in ACRE or remain in DCP. Producers may enroll in DCP, receive advance payments, and switch to ACRE by August 14th. The ACRE program, provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical pay-

ments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. The decision to elect ACRE binds the farm to the program through the 2012 crop year. Production must be reported annually with the ACRE. For more information about ACRE, DCP and other price support programs, please visit the county office. You can also obtain information on-line at <http://www.fsa.usda.gov>.

The website lists Michigan average yields and the preliminary prices to be used for ACRE. The prices are updated on the 15th of each month. Updates are planned for month-end posting also, starting in July. The yield and price information used for the ACRE guarantee is as follows (preliminary as of April 15, 2009):

	MI Yield	Preliminary price
Corn	138	\$4.20
Soybeans	38.5	\$9.88
Wheat	66	\$6.67

Final wheat price for 07/08 will be set on 7/1/09 and the final corn and soybean prices will be set 10/01/09.

Two triggers must be met to receive an ACRE payment for the crop.

1. The state guarantee must exceed the actual state revenue and
2. The farm guarantee must exceed the actual farm revenue.

Example of State Trigger

Corn Benchmark yield (138) X 90% = 124.2 BU X 07/08 national average market price (estimated to be \$4.20) = \$521.64. Compare this to the actual state revenue per acre for corn, which is the Michigan yield (unknown) X 2009 ACRE price, (the greater of the national average price received during the 12-month marketing year, or the loan rate (\$1.95) reduced by 30% (\$1.37).

f the corn yield in Michigan is 130

Timely Filing of Loss

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. A Notice of Loss is required for ALL CROPS COVERED BY NAP INCLUDING GRASSES. For losses on crops covered by the Non-insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576 (notice of loss) in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent or 15 days after the normal harvest date.

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

and the price is \$4.00, the actual state revenue per acre would be \$520. The state trigger would be met because \$520 is less than \$521.64.

Example of Farm Trigger:

The ACRE farm guarantee for corn is the farm yield (average of 04-08 actual yields for the farm number after dropping the high year and the low year) X 07/08 national average market price (estimated to be \$4.20) + 2009 crop insurance premium per acre paid by producer. If the producer paid \$30 per acre for crop insurance on corn, and his yield average was 140 and the price is \$4.20, the farm guarantee would be \$618 per acre. $140 \times \$4.20 + \$30 = \$618$.

When the actual farm yield times the ACRE price is under \$618, the farm trigger has been met. So, if the corn yield on this farm number actually is 154 and the price is \$4.00, the actual farm revenue per acre would be \$616 and the farm trigger would be met. Remember that yield and price combined equals revenue. Therefore, using the example above, if the actual yield was 140 and the price was \$4.35, the actual farm revenue per acre would be \$609 -- the farm trigger would be met and an ACRE payment would be due.

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".

Remember, you can sign up for DCP now and still be eligible to change to the ACRE program. For additional information visit:

www.fsa.usda.gov/dcp

Please call the office if you are interested in joining a small group meeting to go over the basics of ACRE.

News from Farm Loan Programs

As "The Lender of First Opportunity", the Lenawee County Farm Service Agency's, Farm Loan team, provides Direct and Guaranteed Farm Ownership loans, Direct and Guaranteed Operating loans, and Emergency loans to applicants throughout our service area. Farmers located in Wayne, Washtenaw, Monroe, and Lenawee Counties who are interested in learning more about what FSA Loan Programs has to offer, or to obtain an application, contact us by mail at 1100 Sutton RD, Adrian, MI 49221 or by phone at (517) 263-7400. If you would like to pick up an application, we will gladly take the time to discuss your operation and intentions as well as which loan type may work best for your operation.

The availability of Emergency loans is dependent on a Secretarial disaster designated area. The current designations are for drought, severe frost/freeze and excessive rain for the 2008 growing season. Emergency loans are available for applicants who meet the eligibility criteria and submit a complete application by August 2009. Please contact our office for additional information on Emergency loans or any of our loan programs. The Farm Loan team would appreciate the opportunity to discuss how FSA can help you in your present situation.

A major concern at this time is the availability of funds. While the 2008 Farm Bill increased FSA loan limits; it did not increase the level of funding at the same rate. Presently, the level of funding for various loan types is very limited with the majority of available funds targeted toward Beginning and Socially Disadvantaged Farmers. However, we are continuing to accept and process loan applications. Loans will be funded as money is made available.

INTERESTED IN NEWS BY EMAIL?

If you would like to be on the distribution list and receive emails about deadlines and new program information, please contact: constance.guffey@mi.usda.gov

Soybean Request for Referendum beginning May 4, 2009 and continuing through May 29, 2009. Please contact this office for additional information.

NAP Production Reporting

Production records for individual crops need to be filed with our office to establish an approved NAP yield each year. Records submitted must be reliable or verifiable. The records need to show crop disposition. It is recommended producers submit 2009 production records soon after harvest. *All production records for 2008 must be submitted by the 2009 acreage report date for the crop. The final acreage reporting date for NAP crops is July 15th.*



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.

Dates to Remember	
4/27/09	ACRE signup begins
5/18/09	Deadline to Buy-in for crops that were not covered by insurance or NAP in 2008
6/30/09	Final date to file crop reports for fall seeded crops
7/15/09	Final date to file crop reports for all other crops and CRP
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program, CREP and CRP-SAFE

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

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 office, by phone or in person.

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, audiotope, 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.