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NEWSLETTER



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Lenawee County FSA Updates

Lenawee County FSA Office

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USDA Awarding \$6 Million to Prepare Farmers For New Farm Bill Programs

USDA is awarding \$6 million to universities and cooperative state extension services to develop online decision tools and other materials and train experts to educate producers about several key farm bill programs. The new Web tools will help farmers and ranchers determine what participation in programs established by the 2014 Farm Bill will mean for their businesses.

The University of Illinois, along with the Food and Agricultural Policy Research Institute at the University of Missouri and the Agricultural and Food Policy Center at Texas A&M, will receive a total of \$3 million to develop the new online tools and train extension agents who can help educate farmers. USDA will also award \$3 million to state cooperative extension services—a nationwide network of experts based at land-grant universities—for outreach and education on the new Farm Bill programs. Funds will be used to conduct public education outreach meetings where producers can speak with local extension agents and Farm Service Agency (FSA) staff. Outreach meetings will begin late this summer to help farmers and ranchers understand the new programs and their options.

The new resources will help farmers and ranchers make an educated choice between the new Agriculture Risk Coverage (ARC) program and the Price Loss Coverage (PLC) program. Using the online tools, producers will be able to use data unique to their specific farming operations combined with factors like the geographical diversity of crops, soils, weather and climates across the country to test a variety of financial scenarios before officially signing up for the new program options later this year. Once a producer enrolls in the ARC or PLC program, he or she must remain in the program through the 2018 crop year.

Next County Committee

Meeting: August 28th at 8:00 am

New tools will be provided for other programs as well. Sign-up for the newly established Margin Protection Program for Dairy (MPP) begins late this summer and enrollment for "buy-up" provisions under the Noninsured Crop Disaster Assistance Program (NAP) will begin early next year. An online MPP tool will be available when sign up begins and the NAP buy-up provision resource will become available to producers in the fall for the 2015 crop year.

While universities work to create new online tools, producers now have access to a preliminary website that gives them a chance to begin familiarizing themselves with the new programs and the type of information they will need to consider when deciding which program options work better for them. At this site, producers can view ARC and PLC projected payments, ARC guarantees, and PLC payment rate projections. These tables are available on the [FSA website](#).

Visit www.fsa.usda.gov or the local FSA office for information about FSA and the 2014 Farm Bill programs.

Farm Reconstitutions

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution is the process of combining or dividing farms or tracts of land based on the farming operation.

The following are the different methods used when doing a farm reconstitution.

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — 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 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.

Emergency Loans Available

Lenawee County producers are eligible to be considered for low-interest Emergency (EM) Loans based on a natural disaster designation received in January. The designation is due to losses caused by excessive rain and cooler than normal temperatures that occurred during the period of April 1, 2013 and continuing.

Producers have eight months from the date of the declaration to apply for emergency loan assistance. FSA will consider each loan application on its own merits, taking into account the extent of losses, security available and repayment ability. Producers can borrow up to 100 percent of actual production or physical losses, to a maximum amount of \$500,000.

Microloan Program

The Microloan (ML) program was developed to better serve the unique financial operating needs of beginning, niche and small family farm operations. FSA offers applicants a Microloan designed to help farmers with credit needs of \$35,000 or less. The loan features a streamlined application process built to fit the needs of new and smaller producers. This loan program will also be useful to specialty crop producers and operators of community supported agriculture (CSA). What is community-supported agriculture? It is a locally-based model of agriculture and food distribution where a group of individuals have pledged to support one or more local farms, and they share the risks and benefits of the food production. CSA members pay at the onset of the growing season for a share of the anticipated harvest and once harvesting begins, they receive weekly shares of vegetables, fruit, herbs, etc.

Eligible applicants can apply for a maximum amount of \$35,000 to pay for initial start-up expenses such as hoop houses to extend the growing season, essential tools, irrigation and annual expenses such as seed, fertilizer, utilities, land rents, marketing, and distribution expenses. As financing needs increase, applicants can apply for a regular operating loan up to the maximum amount of \$300,000 or obtain financing from a commercial lender under FSA's Guaranteed Loan Program.

Individuals who are interested in applying for a microloan or would like to discuss other farm loan programs available should call Jodie Johnson at 517-263-7400 extension 112 or Brenda Andrews at extension 113.

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 staff directly or by calling Constance Reid Guffey at (517) 263-7400, ext. 114.

FSA Signature Policy

Using the correct signature and format when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature policies:

- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
- Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities.
- Spouses must have a power of attorney on file, or sign personally, for price support loans and for promissory notes.
- When signing as an Agent, authorized by form FSA-211, producer must sign using a "By" or "For" comment as well as their representative capacity. For example "Josephine Farmer, by Joe Farmer, Agent". If the signatory is preprinted on the document, the agent does not have to repeat the name; they may simply sign "By Joe Farmer, Agent".
- Members of businesses, who have authorization to sign for the business, must sign using a "By" or "For" comment, unless preprinted on the document. For example, "ABC Corporation, By Joe ABC, President" or "Joe ABC, for ABC Corporation."

Controlled Substance

Any person 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 Dates to Remember

July 4 - FSA office closed for Independence Day holiday

July 15 - Deadline to report most spring-seeded crops

August 1 - Final date for County Offices to receive FSA-669A's, County Committee nomination form

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).