

April 2014



Mecosta County FSA Updates

Mecosta County FSA Office

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County Committee:
Jim Carmichael
COC Chairperson
Beth Storey
COC Vice-Chairperson
Mike Hopkins COC Member
Julie Sellers COC Advisor

Next County Committee Meeting: June 13, 2014
at 9:30 am

USDA ANNOUNCES THE EXTENSION OF THE MILK INCOME LOSS CONTRACT PROGRAM FOR 2014

The USDA Farm Service Agency (FSA) recently announced the extension of the Milk Income Loss Contract (MILC) program which protects dairy farmers against income loss through September 1, 2014, or until a new Margin Protection Program for dairy producers (MPP) is operational.

Contracts for eligible producers enrolled in MILC on or before September 30, 2013, are automatically extended until the termination date of the MILC program. Dairy operations with approved MILC contracts will continue to receive monthly payments if a payment rate is in effect.

MILC compensates enrolled dairy producers when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt), after adjustment for the cost of dairy feed rations. MILC payments are calculated each month using the latest milk price and feed cost, just as in the 2008 Farm Bill. The payment rate for October 2013 through January 2014 marketing is zero. Payment rates during the months after January 2014 until the termination of the MILC program will be determined as the appropriate data becomes available.

Producers who want to select a different production start month must visit their local FSA office between April 14, 2014, and May 30, 2014. The relief period is limited to FY2014 production start months only, and to new producers that started a dairy operation since October 1, 2013.

If producers have production that did not get turned in for FY 2009-2013, they can now turn in that production to receive payment if applicable. The final date to submit all production is November 3, 2014.

FSA will provide producers with information on program requirements, updates and sign-ups as the information becomes available.

USDA'S FARM SERVICE AGENCY (FSA) OFFERS FARM BILL WEBSITE AND ONLINE OVERVIEW OF FARM BILL PROGRAMS

The Agricultural Act of 2014 (the Act), also known as the 2014 Farm Bill, was signed by President Obama on February 7, 2014. The Act repeals certain programs, continues some programs with modifications, and authorizes several new programs administered by the Farm Service Agency (FSA). Most of these programs are authorized and funded through 2018.

For the latest on 2014 Farm Bill programs administered by FSA, please visit our Farm Bill website at www.fsa.usda.gov/farmbill and for an FSA program overview please read, download and/or print our recently posted FSA Farm Bill Fact Sheet titled, [What's in the 2014 Farm Bill for Farm Service Agency Customers?](#)

For more information on FSA, please contact your local USDA Service Center or visit us online at www.fsa.usda.gov.

TREE ASSISTANCE PROGRAM (TAP) SIGN UP HAS BEGUN

Overview

The USDA Tree Assistance Program (TAP) provides financial assistance to qualifying orchardists and nursery tree growers to replant or rehabilitate eligible trees, bushes and vines damaged by natural disasters occurring on or after October 1, 2011. TAP was authorized by the Agricultural Act of 2014 as a permanent disaster program.

Eligible Tree Types

Eligible trees, bushes and vines are those from which an annual crop is produced for commercial purposes. Nursery trees include ornamental, fruit, nut and Christmas trees produced for commercial sale. Trees used for pulp or timber are ineligible.

Eligible Producers

To qualify for TAP, orchardists and nursery tree growers must:

- Have suffered qualifying tree, bush or vine losses in excess of 15 percent (adjusted for normal mortality) from an eligible natural disaster for the individual stand;
- Have owned the eligible trees, bushes and vines when the natural disaster occurred, but eligible growers are not required to own the land on which eligible trees, bushes and vines are planted;
- Replace eligible trees, bushes and vines within 12 months from the date the application is approved.

For more information on the TAP program, please call or visit the Mecosta County Farm Service Agency.

NEW FARM BILL PROVIDES PERMANENT LIVESTOCK DISASTER ASSISTANCE PROGRAMS

The 2014 Farm Bill, formally known as the Agricultural Act of 2014, makes the Livestock Forage Program (LFP) and Livestock Indemnity Program (LIP) permanent programs and provides retroactive authority to cover eligible losses back to October 1, 2011.

LFP provides compensation to eligible producers who suffered grazing losses due to drought and fire. For the grazing land to be eligible, it must be physically located in a county rated by the U.S. Drought Monitor as meeting certain drought level criteria. The four counties in the Cadillac area and the surrounding counties do not meet the criteria required to be eligible for LFP in 2012 and 2013. LIP provides compensation to livestock producers who suffered livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the Federal Government or protected by Federal law, including wolves and avian predators.

USDA is determined to make implementing the livestock disaster programs a top priority and plans to open program enrollment by April 15, 2014. As USDA begins implementing the livestock disaster assistance programs, producers should record all pertinent information of natural disaster consequences, including:

- Documentation of the number and kind of livestock that have died, supplemented if possible by photographs or video records of ownership and losses
- Dates of death supported by birth recordings or purchase receipts
- Costs of transporting livestock to safer grounds or to move animals to new pastures
- Feed purchases if supplies or grazing pastures are destroyed
- Crop records, including seed and fertilizer purchases, planting and production records

Many producers still have questions. USDA is in the process of interpreting Farm Bill program regulations. Additional information will be provided once the enrollment period is announced. In the meantime, producers can review the [LIP and LFP Fact Sheets](#). Thanks for your patience as USDA works diligently to put Farm Bill programs into action to benefit the farmers and ranchers of rural America.

USDA Sets Date for Soybean Request for Referendum

USDA announces the Soybean Request for Referendum will be held May 5, 2014, through May 30, 2014, in county USDA Farm Service Agency (FSA) offices. Producers may obtain a form by mail, fax or in person from their local FSA county offices. Forms may also be obtained via the internet at <http://www.ams.usda.gov/AMSV1.0/SoybeaninformationontheSoybeanRequestforReferendum> during the same time period. Individual producers and other producer entities may request a referendum at the county FSA office where their administrative farm records are maintained. Completed forms and supporting documentation must be returned to the appropriate county FSA office by fax or in person no later than close of business May 30, 2014; or if returned by mail must be postmarked by midnight May 30, 2014, and received in the county FSA office by close of business on June 5, 2014.

The request for referendum is required to be held every five years following the initial referendum. The previous request for referendum was held in 2009. Participating in the request of referendum is voluntary. Only eligible soybean producers wishing to request a referendum on the Order participate. Those producers who do not want a referendum on the Order would not participate. Eligible producers participating in the request for referendum must certify that they or the entity they are authorized to represent paid an assessment at some time during January 1, 2012, through December 31, 2013. USDA will conduct a referendum only if at least 10 percent of all eligible soybean producers requested a referendum.

NEW FARM BILL OFFERS INCREASED OPPORTUNITIES FOR PRODUCERS

The 2014 Farm Bill offers increased opportunities for producers including farm loan program modifications that create flexibility for new and existing farmers. A fact sheet outlining modifications to the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) Farm Loan Programs is available [here](#). The Farm Bill expands lending opportunities for thousands of farmers and ranchers to begin and continue operations, including greater flexibility in determining eligibility, raising loan limits, and emphasizing beginning and socially disadvantaged producers.

Changes that will take effect immediately include:

- Elimination of loan term limits for guaranteed operating loans.
- Modification of the definition of beginning farmer, using the average farm size for the county as a qualifier instead of the median farm size.
- Modification of the Joint Financing Direct Farm Ownership Interest Rate to 2 percent less than regular Direct Farm Ownership rate, with a floor of 2.5 percent. Previously, the rate was established at 5 percent.
- Increase of the maximum loan amount for Direct Farm Ownership down payments from \$225,000 to \$300,000.
- Elimination of rural residency requirement for Youth Loans, allowing urban youth to benefit.
- Debt forgiveness on Youth Loans, which will not prevent borrowers from obtaining additional loans from the federal government.
- Increase of the guarantee amount on Conservation Loans from 75 to 80 percent and 90 percent for socially disadvantaged borrowers and beginning farmers.
- Microloans will not count toward loan term limits for veterans and beginning farmers.

Additional modifications must be implemented through the rulemaking processes. Visit the [FSA Farm Bill website](#) for detailed information and updates to farm loan programs.

MICROLOAN PROGRAM

The Farm Service Agency (FSA) developed the Microloan (ML) program 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).

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 contact their local FSA office to set up an appointment with a loan official.

BEGINNING FARMER LOANS

FSA targets assistance to beginning farmers 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 than 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 average size farm.

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

USA 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).
