



Monroe County News

February 2010

Issue No. 1

Monroe County FSA Service Center

1137 S. Telegraph Rd.
Monroe, MI 48161
734-241-8540 (phone)
734-241-9432 (fax)
www.fsa.usda.gov/mi

Hours

Monday – Friday
8:00 a.m. – 4:30 p.m.

County Committee

James VanBuskirk
Carmen L. Cousino
Richard Janssens

County Committee meets
8:30 AM, 3rd Wednesday of
the month

Staff

Paul Manol
County Executive Director
Ext. 107

Farm Program Techs

Carole Bogoski Ext. 110
Dawn Pluff Ext. 113
Roger Bezek Ext. 108
Jessica Squires Ext. 109

Field Reporter

Rachel Bakowski

Farm Loan Manager

Michael Jordon
(Lenawee County)
517-263-7400, x110

Dates to Remember

Feb 10 - COC Meeting 8:30 AM @ Monroe Service Center
Feb 15 - Office Closed for the Observance of President's Day
Mar 15 - Last day to purchase 2010 NAP coverage for spring seeded crops
Jun 1 - Deadline to sign up for DCP & ACRE (No late files)
Jun 30 - Deadline to certify fall planted crops
Jul 15 - Deadline to certify all other planted crops & land in CRP & GRP
Continues - Farm Storage Facility Loans
Continues - Continuous Conservation Reserve Program & CRP-SAFE

FSA Partners with IRS

FSA has partnered with the Internal Revenue Service (IRS) to reduce potential fraud in farm programs. This action is designed to strengthen the integrity of FSA's programs and meet the requirements of the 2008 Farm Bill.

A recently finalized memorandum of understanding between the USDA & the IRS established an electronic information exchange for verifying compliance with the adjusted gross income (AGI) provisions for programs administered by FSA & NRCS. This agreement ensures payments are not issued to producers who exceed AGI limits.

The limits set in the 2008 Farm Bill are \$500,000 non-farm average AGI (commodity & disaster programs); \$750,000 farm average AGI (direct payments); and \$1 million non-farm average AGI (conservation programs).

Program participant registration and participation in this process is **mandatory!** Producers **MUST** submit a "2009 and/or 2010 Consent to Disclosure of Tax Information" (CCC-927 for individuals or CCC-928 for legal entities) as soon as practical or at least when you come in to certify your crops this season.

To safeguard privacy of all program participants and confidentiality of the information, program participants are required to complete CCC-927's and CCC-928's and mail the completed form **directly to** the IRS at the address specified on the forms. **The County Office cannot mail the forms for you.** Completed CCC-927's and CCC-928's **will not to be accepted or retained** in any FSA Service Center Office.

These forms will NOT be sent to program participants though the mail! Blank forms can be picked up at the County Office or you can access them online at:

ftp://165.221.16.16/public/forms/CCC0927_091026V01.pdf or

ftp://165.221.16.16/public/forms/CCC0928_091026V01.pdf

IMPORTANT NOTE: Failure to timely submit a completed CCC-927 or CCC-928 form could result in a program participant being required to **refund ALL 2009 and/or 2010 benefits received from FSA and NRCS!**

Also, new AGI forms (CCC-926's) will be required from each producer for 2010.

Please call the office if you have questions.

COC Election Results

Ballots were verified and tabulated at the County Office on December 10, for Local Administrative Area # 3, which includes Dundee, Raisinville, Frenchtown, Monroe, and Lasalle Townships. A total of 201 valid ballots were received. The final results were:

Richard A. Janssens - 129

John A. Gaynier - 49

Shirley M. Revels - 22

Kenneth Havekost - 1 (write in)

We congratulate Richard on his re-election, welcome John as the first Alternate County Committee member, and thank those producers who took the time to vote.

Richard's new 3-year term commenced on January 1, 2010.

Payment Eligibility Rule Changes For 2010

All partners, stockholders, or members with an ownership interest in a legal entity must make contributions of active personal labor and/or active personal management to the farming operation that are performed on a regular basis, identifiable and documentable, and are separate and distinct from the contributions of other members. For 2010 an exception may apply if at least 50% of the interest is held by members that are providing the labor and/or management discussed above and the members are collectively receiving total payments that are \$40,000 or less.

June 1 will be used for determination of a minor child for direct attribution for payment limitation purposes.



Supplemental Revenue Assistance Program (SURE)

Background

SURE provides benefits for farm revenue losses due to a natural disaster. It is the 2008 Farm Bill's successor to the prior Ad Hoc Crop Disaster Programs. Unlike the prior USDA Disaster Programs, SURE is legislated through 2011. For SURE program purposes, a "farm" refers to all acreage in all counties that is planted or intended to be planted to crops that are for sale by the producer and all hay crops.

Eligible Farms

SURE payments are available to producers on farms that are located in a county covered in a qualifying natural disaster declaration (USDA Secretarial Declarations only) or in a contiguous county OR the actual production is less than 50% of the normal production. In order to receive payments, the farm must suffer at least a 10% eligible production loss on at least one crop of economic significance.

Eligible Producers

To be eligible for the SURE Program, all of the farming operation's crops (planted or intended) that are of economic significance must be covered by either Federal Crop Insurance (CI) or FSA's Non-insurable Crop Disaster Assistance Program (NAP) coverage. Coverage must also be obtained for other crops for which CI or NAP is available, such as nursery, honey, and floriculture. However, coverage for grazed crops is not required for SURE. Eligible farmers who meet the definition of Socially Disadvantaged, Limited Resource, or Beginning Farm do not have to meet the CI requirement.

Payment Calculation

Producers with qualifying losses are eligible to receive 60% of the difference between the SURE Disaster Program Guarantee and the actual Farm Revenue.

Disaster Program Guarantee

The guarantee is determined by totaling the calculated guarantee for each crop. For insured crops, the guarantee is based on the level of coverage the producer has elected. Higher levels of coverage will result in higher crop guarantees. For NAP crops, the guarantee is based on a formula that includes the yield, acreage, and price factors. The farms Disaster Program guarantee cannot exceed 90% of the expected revenue for the farm.

Total Farm Revenue

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 all CC payments and ACRE payments).

SURE Calculator

To assist farmers and ranchers in evaluating their options with SURE, USDA created a SURE Calculator. Note that to qualify for SURE; producers need to obtain CI or NAP on all crops in all counties in all states. To use the Calculator, visit the FSA website www.fsa.usda.gov. Under "I want to..." (upper right corner), click on "View Farm Bill Information"

2009 NAP Production Reporting

Producers, who have 2009 Non-Insured Crop Disaster Assistance Program (NAP) policies with the Monroe County FSA, are reminded that annual production reports should be submitted to accurately update their Actual Production History (APH). Production records can either be provided or certified to the FSA office and will be used to calculate NAP yields for 2010 growing season. Producer certified yields may be subject to a FSA spot-check to verify production. Updated yields will be recorded and the APH certified by the producer.

NAP administrative fees (for spring planted annual crops) are to be paid by **March 15, 2010** to continue coverage. New application for NAP coverage may be made and fees paid by March 15. Reminder letters will be mailed to all current NAP policyholders.

Please note any crop which contributes at least 10% of a farm operation's revenue will need crop insurance coverage *OR* a NAP policy in force to be eligible for the USDA SURE (Crop Disaster) program.

Direct / Counter Cyclical Program (DCP) & ACRE for 2010

Enrollment for the 2010 DCP program has begun and will continue through the deadline of **June 1, 2010**. USDA will not accept any late filed applications. Farmers may contact the local office for an appointment or make use of the eDCP automated website to sign up. Don't delay in signing up as June 1st comes at most farmer's busiest time. A 22% advance payment is available.

Base acres must be planted to an annual crop, be in hay, or idle grasses. Fruits & Vegetables (FAV) cannot be planted on base acres unless the farm or producer has FAV history. In cases where FAVs can be planted, the producer will receive an acre-for-acre reduction in their program payment.

Farms with 10.0 or less base acres will be ineligible for payments. Exceptions apply to socially disadvantaged and limited resource farmers. Payments can only be earned by the person who has the risk in producing and marketing the crop.

Annual crop certification of all cropland on the farm is required. HEL and wetland provisions apply.

Lease Agreements will be required if an advance payment is requested prior to June 1, 2010. **All** owners and operators must sign and date the operating agreement. Effective November 16, 2009, all leases must at least include the following:

- Landowner & Operator names printed and signatures
- Signature dates
- The type of lease (cash, shares, barter, with terms, etc.)
- Length of lease if multiple years (example: a 3 year lease from 2009-2011)

It will also be helpful if you include the number of acres rented and the landowners address.

Cash Rent Certification. In lieu of a new lease, Form CCC-510 is available for producers who cash rented a farm and received a payment in the previous crop year. **Note that producers who sign a CCC-510 can only request an advance payment after June 1, 2010.** This latter provision does not apply to producers who submit a valid, signed lease.

Direct Payment is a guaranteed payment calculated using the farm base & yield. Payment rates are per bushel:

| | | | |
|-----------------|--------|--------------|---------|
| Corn | \$0.28 | Wheat | \$0.52 |
| Soybeans | \$0.44 | Oats | \$0.024 |

Counter Cyclical payments are a payment based on a 12 month marketing cycle in comparison to the target price. This is **not** a guaranteed payment.

Average Crop Revenue (ACRE). ACRE provides eligible producers a state level revenue guarantee, based on the 5-year Olympic average yield and the 2-year national average price. Producers who elect the ACRE program for a farm agree to:

- Forgo counter cyclical payments
- Accept a 20% reduction in the guaranteed direct payment
- Accept a 30% reduction in loan rates for all commodities produced on the farm

ACRE payments are revenue based and are tied to crop production and the National Average Market price for planted covered commodity crops on the farm.

Reporting Requirements. Producers who participate in ACRE must annually report acreage and **production** to FSA by the acreage reporting deadline of July 15th (June 30th for Wheat). Acceptable documentation includes:

- Receipts of crops sold (warehouse receipts, settlement sheets, sales documents, etc.)
- Appraisal performed by crop insurance
- Paid measurement of bins or other farm storage

Monroe FSA Office
1137 S. Telegraph Rd.
Monroe, MI 48161



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Changes in Farm Records

Has the ownership of a farm you operate changed? If so, **proof of ownership is required to make any changes.** This can include a tax bill, deed, or township document and must contain the name(s) of **ALL** owners as well as a complete legal description of the property.

Has part of a farm been sold or will not be operated by you? A farm reconstitution (recon) may be needed to divide a farm or tract to reflect the land being operated or multiple owners. A recon to divide FSN or Tracts must be requested, in writing, by the operator or owner.

The 2008 Farm Bill prohibits FSA offices from authorizing DCP payments be made on FSN's with 10 or less acres of DCP Base History. However, requesting a recon to combine these smaller tracks into one larger farm is permissible. Note that **ALL** landowners must sign and date any recon request.

Your FSA eligibility forms will also need to be updated after any of the above Farm Record changes are made. Producers whose leases have expired will be required to provide new 2010 Crop Year leases in order to enroll in the DCP program. This will assure both owner and operator information is current and prevent delays in processing DCP payments.

2009 Commodity Loan Rates – Monroe County

| | |
|-----------------|---------------|
| Wheat | \$1.97 |
| Oats | \$1.39 |
| Soybeans | \$5.09 |
| Corn | \$1.90 |

The final date to request a wheat or oat loan is March 31, 2010. For corn and soybeans, the final date is May 31, 2010.

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 Paul Manol (734) 241-8540, by phone or in person.