



Monroe County FSA

July 2012

USDA Service Center
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Hours

Monday - Friday
8:00 a.m. - 4:30 p.m.

Monroe Staff

Christina L. Salenbien, County
Executive Director (Ext.107)

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Manager (Lenawee County)

Dates to Remember

August 1– Deadline to nominate for
LAA #3 County Committee seat

August 1- Last day to request a
farm/tract reconstitution for 2012

August 1– Last day COC can
approve late-filed DCP contracts

August 9– Next COC Meeting

15 days after weather event:
Report NAP losses to FSA office

Continuing – Farm Storage Facility
Loans

Continuing – Continuous
Conservation Reserve Program &
CRP-SAFE

COC Election Nominations

The Monroe County Committee (COC) elections will be conducted this fall for Local Administrative Area (LAA) #3 (consisting of Dundee, Raisinville, Frenchtown, Monroe, and LaSalle Townships). Agricultural farmers or landowners residing in these areas may be nominated, either by themselves or another producer, to serve on the committee starting in January 2013. COC members serve a 3-year term in this paid position and attend quarterly meetings. The deadline to nominate someone for the committee is **Wednesday, August 1st 2012**. To become a nominee, eligible individuals must sign form FSA-669A. The form and other valuable information about FSA county committee elections are available at the counter or online at:

http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf

For additional information, please call the office for further details. Valid nominations will be accepted through close of business (4:30pm) on August 1st. If you have any questions, contact County Executive Director Christie Salenbien at (734) 241-8540 ext. 2.

MILC Program Payments

Dairy producers in Monroe County are now eligible to receive Milk Income Loss Contract (MILC) payments for the months of February through May. The payment rates are, as follows:

- \$0.3895043 per cwt. for February 2012
- \$0.8262432 per cwt. for March 2012
- \$1.2109586 per cwt. for April 2012
- \$1.2164177 per cwt. for May 2012

The Milk Income Loss Contract Program (MILC) compensates dairy producers when domestic milk prices fall below a specified level.

DCP Deadline: Late-Filed!

The deadline for farmers to sign up for the 2012 crop year Direct and Counter-Cyclical Program (DCP) was June 1st 2012. However, participants who missed the deadline may still be able to sign up their farms.

Authority has been granted for COC to approve late-filed DCP/ACRE contracts until August 1st 2012. This is the last year the DCP Program has been authorized under the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill).

Producers are encouraged to contact the FSA office if they have not signed up their farm in DCP yet for crop year 2012.

Filing for NAP Losses

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. Timely filing a Notice of Loss is required for all crops 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.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Late-Filed Crop Certifications

Did you forget to “certify” your crops for 2012 by the deadline of July 15th 2012? Don’t lose hope!

You can still late-file certify these crops, as long as evidence of the crop is left in the field. A \$46 per farm fee is assessed, and a field inspection will be performed by FSA to verify the presence of the crop.

Remember, crop certification is a requirement for participation in certain FSA programs. Call the office today to report!

The next scheduled COC meeting will be **August 9th 2012 at 8:30am**. Producers, landowners, and the general public are permitted to attend the regular session meeting. Executive session is limited to only attendance by COC members.

Over the County Channel (OTCnet)

FSA/CCC is moving toward OTCnet, an electronic method for processing customer check payments. When a check is submitted for payment either in person or through the mail, the check will be converted into an Electronic Funds Transfer (EFT). The funds will be debited from the producer's account, usually within 24 hours of receipt. Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information. <http://fms.treas.gov/otcnet/legal.html>

What is OTCnet? OTCnet is a Web-based online application process for converting paper checks presented to FSA into electronic debits to the producer's bank account. It presents many benefits, such as reducing lost/misplaced checks and paper handling. This improves customer relations, speeds the check clearing process, and reduces the potential for human error.

How will my check be handled? The check will be scanned into the system and voided. The customer will not receive the check back from FSA. FSA will hold checks for up to 14 calendar days to ensure that the item was successfully processed, and then FSA will shred the check.

How quickly will funds be transferred from my account? The transfer of funds from your account could occur within 24 hours. Therefore, you should be sure that you have sufficient funds in your account to process the transaction. If you do **not** have sufficient funds, we may initiate the transaction again.

How will this transaction appear on my account statement? The transfer of funds will be reflected on your account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under "other withdrawals" or "other transactions".

What are my rights if there is a problem with the transaction? You have protections under Federal law for an unauthorized electronic fund transfer from your account. You should contact your financial institution immediately if you believe that the transaction reported on your account statement was not properly authorized or is otherwise incorrect.

Farm Reconstitutions

For FSA program purposes, tracts having the same owner and the same operator are grouped under one farm serial number. When changes in ownership or operation take place, a farm reconstitution is necessary.

The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by **August 1st 2012** for farms enrolled in specific programs.



Highly Erodible Lands and Wetland Compliance (HELC/WC)

Producers participating in most programs administered by FSA and the Natural Resources Conservation Service (NRCS) are required to abide by certain conditions on any land owned or farmed that is highly erodible or that is considered a wetland.

To be in compliance with the HELC and WC provisions, producers must agree, that they will not:

- Produce an agricultural commodity on highly erodible land without a conservation system;
- Plant an agricultural commodity on a converted wetland;
- Convert a wetland to make possible the production of an agricultural commodity.

Producers planning to remove fence rows, convert woodlots to cropland, combine crop fields, divide a crop field into two or more fields, install new drainage, or improve or modify existing drainage, must notify the FSA and update Form AD-1026. FSA will notify NRCS and NRCS will then provide highly erodible land or wetland technical determinations.

To get additional information on highly erodible land and wetland conservation compliance contact the FSA office www.fsa.usda.gov/conservation or the NRCS office <http://www.nrcs.usda.gov> at a local USDA Service Center.

Conservation Reserve Program (CRP) Emergency Haying/Grazing

Monroe County Farm Service Agency (FSA) participants in the Conservation Reserve Program (CRP) have established conservation practices on land and now maintain these practices for the benefit of wildlife and the agricultural environment.

However, due to the recent drought conditions suffered in Monroe County and throughout the nation, certain types of CRP have now been designated as eligible for “Emergency Haying and Grazing”. Eligible practices include **ONLY** the following:



- CREP/CP-1 “Permanent Introduced Grasses and Legumes”
- CREP/CP-2 “Permanent Native Grasses”
- CP-4B “Permanent Wildlife Habitat Corridors Non-Easement”
- CP-4D “Permanent Wildlife Habitat”
- CP-10 “Vegetative Cover: Grass-Already Established”

Other popular practices, including CP-21 (filter strips), have **NOT** been approved for emergency haying/grazing. Before haying/grazing any CRP ground, you are required to contact the Monroe FSA office to determine if your practice is eligible. If your practice is approved, additional limitations and provisions will apply. Written permission from County Committee must

be provided prior to any haying/grazing activities.

Unauthorized haying/grazing is not allowed. Failure to contact the Monroe Farm Service Agency prior to cutting, baling, or grazing CRP ground may result in a finding of non-compliance by County Committee.

If a producer is found to be out of compliance, County Committee may assess a penalty fee and/or cancel the contract. Contract cancellation would result in the repayment of all cost-share and annual rental payments received during the life of the contract. Please call the Monroe FSA office to determine if your CRP is eligible for Emergency Haying/Grazing.

Modernize and Innovate the Delivery of Agricultural Systems (MIDAS)

MIDAS is the Farm Service Agency’s initiative to “*Modernize and Innovate the Delivery of Agricultural Systems*”. The heart of the MIDAS initiative is to improve the delivery of FSA farm program benefits and services through the re-engineering of farm programs business processes and the adoption of enhanced and modernized information technology. MIDAS will modernize the delivery of farm programs and services in the following ways:

- Improve access and convenience for producers, ranchers, farmers, and field office employees
- Rapidly develop and deploy new farm programs using modernized Information Technology (IT) systems and software
- Advance and streamline business processes using the industry best practices and methodologies
- Achieve compliance by improving oversight, management, and accountability for administering FSA farm programs

The MIDAS project’s success will be measured by the enhanced business process efficiencies, improved services to customers, achievements in compliance (reduction in erroneous payment percentages) and the decreased redundancies within farm program delivery and services.

Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments and; \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-931 to their local FSA County Office by June 15 to avoid interruption of program benefits. This form may be obtained from local FSA and NRCS offices. **If you have received a letter indicating that you must return a 2009, 2010, 2011, or 2012 CCC-931 AGU form, please do so as soon as possible.**

Farm Loan Programs

The Farm Service Agency is committed to providing family farmers with loans to meet their farm credit needs. Those producers who are having trouble getting credit for their farm or who regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask a lender about an FSA loan guarantee to help with a setback or if a lender has been reluctant to extend or renew a loan. Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after Oct. 1, 2011.

To find out more about FSA loan programs, contact the county office staff.

Compliance?

Compliance and spot checks will be utilized during the 2012 crop year. Instead of locally selecting farms, contracts, deficiency loans, etc. for spot check and review, a nationwide selection of producers is used to achieve a statistical sampling of participating producers. Spot check selections are conducted based on a producer's participation in the Conservation Reserve Program, Direct and Counter-cyclical Program, Loan Deficiency Program, etc.



Banking Changes?

If you changed banks and did not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems.

In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in a producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Jessica Mullins (formerly Squires) has accepted a position in the Lenawee County Office. Dawn Pluff has taken over administration of the Conservation Reserve Program. We congratulate Jessica on her new position!

Selected Interest Rates for July 2012	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	1.25%
Farm Ownership Loans — Direct	3.375%
Farm Ownership Loans — Direct Down Payment	1.50%
Emergency Loans	2.25%
Conservation Loans	3.375%
Farm Storage Facility Loans 7 yr	1.125%
Farm Storage Facility Loans 10 yr	1.625%
Farm Storage Facility Loans 12 yr	1.875%
Commodity Loans 1996-Present	1.125%

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To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.