



July 2009



Montcalm County News

Montcalm County
USDA Service Center

Montcalm County FSA
77 S. State St.
Stanton, MI 48888

(989) 831-4212 (phone)

(989) 831- 4540 (fax)

Website

www.fsa.usda.gov/mi

Hours

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

County Committee

Eugene Rentschler
Ned Welder
Judy Johnston
Mary Waldron - Advisor

County Committee meets
2nd Thursday

Staff

Janice McCallister
Becky Proctor
Pam Brooks

Field Reporter

Ken Carr

**County Executive
Director**

Wayne Stickler

Farm Loan Officer

Sara Possehn



Report your 2009 Crops

“Now”

The annual, timely and accurate reporting of acres for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, Acreage Crop Revenue Election (ACRE), marketing assistance loans and Load Deficiency Payments. Conservation Reserve Program acreage must be reported to receive annual rental payments. And, crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported.

Crop reports, form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. Producers need to file their acreage reports by June 30, for fall seeded small grain crops and **July 15th** for all other crops.

Direct and Counter- Cyclical Program (DCP) for 2009

The sign-up for the 2009 Direct and Counter-Cyclical Program (DCP) has a deadline of August 14, 2009.

Advance payments of 22% may be made for the 2009 program in any month you select; the final payment will be made in October.

NEW Rule

Farms having base acres of 10.0 acres or less cannot be approved for payment.

The exception is farms owned by:

1. Socially Disadvantaged (SDA)
2. Limited Resource Farmer

Measurement Service

Farmers who would like an assurance of their crop plantings and land use acreages can make it official by using the FSA measurement service. Producers must file a request with the county office staff and pay the cost of a field visit to have stake and referencing done on the farm. Measurement services are available using digital imagery and where an on-site visit is not required are charged at a reduced rate.

Producers can request ortho-imagery and CLU covering their land (commonly referred to as a clip) at no charge. This would provide the acreage of an entire field.

Measurement Service Fee Change

The state has adopted measurement service fees from national FSA procedure. This policy will more accurately reflect the costs incurred by the agency for services such as measuring fields and grain bins. A basic farm visit fee will now be \$30 plus \$16 for the first hour and \$8 for every 30 minutes after the first hour. Fees will include actual time spent traveling, measuring, and calculating. There will be a minimum charge of one hour, making measurement service fees \$46.00 or more.



ACRE Program “NEW”

Beginning with the 2009 crop year, producers will have the option to participate in a state-level revenue protection program instead of the counter/cyclical (CC). The program is per farm number, the same as DCP. Only farms with previously established bases are eligible. ACRE election is optional and can be made in any of the next 4 years beginning with the 2009 crop year, but once the election is made the farm will stay in ACRE until the end of the Farm Bill. Producers who choose to participate in ACRE will:

1. Not receive a CC payment on enrolled farms.
2. Have a 20 percent reduction in direct payments on enrolled farms.
3. Have a 30 percent reduction in marketing assistance loan rates on enrolled farms.
4. Have a 20 percent reduction in the maximum payment limit for DCP.

ACRE payments are made only if two triggers are met. First, state per acre revenue must be less than the state guarantee. Second, a producer must have an actual revenue loss for the crop on the farm. If the triggers are met, the producer will receive an ACRE payment.

The payment is equal to the difference between the state per acre revenue guarantee and the state actual revenue calculation, times 83.3 percent (85 percent for 2012) of the acres planted on the farm or total base acres of the farm, which ever is less; times the 5 year farm yield Olympic average divided by the 5 year state Olympic average.

The best way to determine if your farm will benefit from the ACRE program visit;
<http://www.fsa.usda.gov/dcp>

Continuous CRP (CCRP)

The Continuous Conservation Reserve Program is a private lands environmental improvement program. The Continuous CRP program is a voluntary enrollment program. In return, the landowners will receive annual rental and maintenance payments, incentive payments for certain activities, and cost share for establishment.

To be eligible for enrollment in the Continuous CRP, participants and acreage must meet certain requirements. Provided the eligibility requirements are met, FSA will automatically accept enrollments of acreage into Continuous CRP. Landowners may enroll in the program at any time during the year.

Maintenance of CRP Cover

Attention Conservation Reserve Program (CRP) participants: Cover maintenance is **your** responsibility and must be done according to your conservation plan.

Mowing for cosmetic purposes or general weed control is **not** allowed and **will** result in financial penalties.

Mowing maintenance activities may be allowed once per year if it's needed to maintain the approved cover, but only that portion of the planting in need of maintenance can be mowed.

Mowing is only allowed between August 1st & August 20th to protect ground-nesting wildlife and to allow adequate re-growth for winter cover.

Non-mowing maintenance activities are only allowed between August 1st & March 31st and may only be done **once** per year if needed to maintain the approved cover.

Contact the FSA Office **prior** to conducting any maintenance on your CRP acres. Producers **must** request permission to perform maintenance activities prior to the date specified in their contracts and each project must be approved by the COC on a case-by-case basis

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and ranchers to purchase farmland and finance agricultural operations. FSA loan programs are designed to help producers who are temporarily unable to obtain private or commercial credit. In many cases, applicants are beginning farmers who have insufficient net worth to qualify for financing through a commercial lender. In other instances, borrowers might have suffered setbacks from natural disasters or might be persons with limited resources.

Farm Reconstitutions

In FSA program terminology, farms are *constituted* to group all tracts having the same owner and or the same operator 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 Aug. 1 for farms enrolled in the Direct and Counter-cyclical or ACRE Program. If DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

Spousal Signature

A husband and wife may sign documents on behalf of each other for FSA and Commodity Credit Corporation (CCC) programs in which either has an individual interest. This option is automatically available unless a written request for exclusion is made to the county office from either spouse. Exceptions include claim settlements, power of attorney forms and signatory authority for an entity.

Payment Limit by Program

The following limits are **per "person" per fiscal year.**

Under the Direct and Counter Cyclical Program (DCP) direct payments are limited to **\$40,000;**

Counter Cyclical payments and ACRE payments are limited to **\$65,000;**

Conservation Reserve Program (CRP) payments are limited to **\$50,000;**

Non-Insured Assistance Program (NAP) payments are limited to **\$100,000.**

SURE will pay up to **\$100,000** annually including any benefits received from LIP, LFP and ELAP.

Planting Fruits and Vegetables or Wild Rice:

Planting fruits, vegetables, or wild rice on base acres may adversely affect your program benefits. Contact the Montcalm County FSA office regarding requirements and to prevent possible violation of program provisions, payment reductions, and severe penalties.

MILC Sign Up Continues

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, and makes three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (cwt.) benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

Payment Limits & Direct Attribution

For commodity and disaster programs under the new farm bill, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average, a person or entity shall not be eligible for DCP/ACRE, Disaster and Price Support programs if the **non-farm AGI exceeds \$500,000.** Also, under the new regulations, an individual or entity must have a 3-year average AGI less than or equal to **\$750,000 per year from farm** income in order to qualify for direct payments issued under the Direct and Counter-cyclical Program. For conservation programs, the average nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who has non-farm AGI in excess of \$1 million remains eligible for conservation programs only if 66.66 percent or more of the total AGI is derived from farming, ranching and forestry operations.

In addition, the AGI limitation for conservation programs may be waived on a case-by-case basis if it is determined that environmentally sensitive land of special significance would be protected. Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Individuals and entities must be "actively engaged in farming" with respect to a farming operation in order to be eligible for specified payments and benefits. To be "actively engaged in farming," the individual or entity must make significant contributions to the farming operation of: (1) capital, equipment, land, or a combination thereof; and (2) personal labor or active personal management, or a combination thereof. For more detailed information contact your local FSA office.

Power of Attorney

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office.

If you are interested, please contact our office or any Farm Service Agency office near you for more information.

Controlled Substance

Any person who is 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.

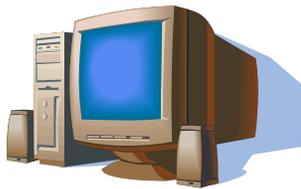
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 Montcalm County FSA Office
 77 South State St.
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| Dates to Remember | |
|--------------------------|--|
| July 3 rd | Office Closed (Independence Day) |
| July 15 th | Deadline to Report Crops |
| July 15 th | Final NAP Production Reports |
| August 1 st | Last Date to Request a Farm - Recon |
| August 3 rd | Final date submit COC Nomination Forms |
| August 14 th | Deadline for DCP sign-up |
| Continues | Farm Storage Facility Loans |
| Continues | Continuous Conservation Reserve Program and CREP |

COC Nominations Began June 15

For FSA County Committee election purposes, counties are divided into local administrative areas, or LAA’s. Each LAA contributes one producer to serve a three-year term on the FSA county committee. Each year, an election is held in an LAA to replace the committee member whose three-year term is expiring. Individuals may nominate themselves or others as candidates. Also, organizations representing socially disadvantaged minorities and women farmers or ranchers may also nominate candidates. A nomination form, FSA-669A, and additional forms and details are available at any local FSA county office. To be valid, the nomination form must be signed by the person being nominated indicating agreement to serve if elected, and returned to the FSA county office by the close of business on August 3, or postmarked by midnight August 3, 2009.

To Hold Office a Person Must: Participate or cooperate in a program administered by FSA
 Be eligible to vote in a county committee election
 Reside in the LAA in which the person is a candidate

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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.