May 2009 Issue #2

Presque Isle-Cheboygan County News

Presque Isle-Cheboygan County USDA Service Center

Presque Isle-Cheboygan FSA
4050 Michigan Ave.
Onaway, MI. 49765
www.fsa.usda.gov/mi

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

County Committee
Edward Reimann – Chairperson
Wayne Schalk – Vice Chairperson
Clifford Tollini – Member
Sonya Kuffel – Member
Beth Ann Buhr - Member

The County Committee meets on the second Wednesday of each month starting at 10:30 a.m. Open to the public.

Staff
Robin Grainger – Program Technician
Laura Panko – Program Technician
Bernie Soik – Field Technician

Carmen A. Church – County Executive Director

Mack Francoeur- Farm Loan Manager

The ACRE Program

The Average Crop Revenue Election (ACRE) is a new program authorized by the 2008 Farm Bill that begins in crop year 2009. Through ACRE, USDA's Farm Service Agency (FSA) offers producers an alternative to Direct and Counter-cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price.

ACRE payments are made when both state-and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments. Producers also elect to receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. ACRE sign-up began April 27, 2009 and ends on **August 14, 2009**.

A decision to elect ACRE binds the farm to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. For more details contact your local FSA office

Request for Soybean Referendum May 4 – May 29

On March 4, 2009, the U.S. Department of Agriculture announced that it will offer soybean producers the opportunity to request a referendum on the Soybean Promotion and Research Order (Order), as authorized under the Soybean Promotion, Research, and Consumer Information Act (Act).

The Request for Referendum will be conducted at county Farm Service Agency offices. To be eligible to participate, producers must certify and provide documentation that shows that they produced soybeans and paid an assessment on the soybeans during the period of Jan. 1, 2007, through Dec. 31, 2008.

Beginning May 4, 2009, and continuing through May 29, 2009, producers may obtain a request form by mail, fax, or in person from the Farm Service Agency county offices. Forms may also be obtained via the internet at http://www.ams.usda.gov/lsmarketingprograms during the same time period.

The deadline for returning the referendum request form is May 29, 2009. USDA will conduct a referendum if at least 10 percent of the nation's 589,182 soybean producers support a referendum. Not more than one-fifth of the producers who support having a referendum can be from any one state. For more information, contact the Marketing Programs Branch; Livestock and Seed Program, AMS, USDA; STOP 0251 - Room 2628-S; 1400 Independence Avenue, SW; Washington, D.C.20250-0251.

NAP Production Reporting

Production records for individual crops need to be filed with our office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date.

Records submitted must be reliable or verifiable. Records need to show crop disposition. We recommend producers submit 2009 production records as soon as harvest is complete. **All production records must be submitted by the subsequent crop year's final acreage reporting date.**

Banking Changes?

If you have changed banks and 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 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.

NASS Statistical Survey

Have you been asked to participate in a survey with USDA's Agriculture Statistics Service?

The Quarterly Agricultural Surveys, conducted by the National Agricultural Statistics Service (NASS) provide inventory and production estimates for crops and livestock at state and national levels. Each quarter a list sample of farm operators are contacted by mail,

Acreage Reporting

Acreage reporting time will soon be here. Filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crops other than NAP (Noninsured Crop Disaster Assistance Program) crops, acreage reports are to be certified by the **June 30, 2009** deadline on fall seeded small grains and a **July 15, 2009** deadline on all other crops.

Acreage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of June 30, 2009 for fall seeded small grains and July 15, 2009 for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

Timely Filing of Loss

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. A Notice of Loss is required for ALL CROPS COVER BY NAP, 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 or **15 days after the normal harvest date**.

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.

Beginning and Limited Resource Farmers & Ranchers

FSA has a program to assist beginning farmers and or members of socially disadvantaged groups 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 that 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 median size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

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

Dates To Remember

May 25 – Office closed for Memorial Day.

June 30 – Last day to report small grains.

July 3 – Office closed for Independence Day

July 15 – Last day to report all other crops.

August 1 – Last day to request a reconstitution for crop year 2009.

August 14 – Last day to sign into DCP and ACRE.

Continues – Continuous Conservation Reserve Program.

Continues – Farm Storage Facility Loan.

NASS Statistical Survey- continued

telephone or personal interview for inventory information on the land they operate. Sample segments also screen for farm operators.

Why is it important for producers to participate in these surveys? Because…

Statistical information on acreage, production, stocks, prices, and income is essential for the smooth operation of Federal farm programs. It is also indispensable for planning and administering related Federal and State programs in such areas as consumer protection, conservation and environmental quality, trade, education, and recreation.

Regularly updating the information helps ensure an orderly flow of goods and services among agriculture's producing, processing, and marketing sectors. Reliable, timely, and detailed crop and livestock statistics help maintain a stable economic climate and minimize the uncertainties and risks associated with the production, marketing, and distribution of commodities.

Farm Reconstitutions

In program terminology, farms are *constituted* to group all tracts having the same owner and 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.

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

- **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.

If payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded. The last day to request a recon for 2009 is **August 1**.

Measurement Service

Farmers who would like a guarantee on 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 where an on-site visit is not required are charged at a reduced rate.

Incorrect acreage self-certification can result in reduced program payments, penalty, or loss of eligibility.

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.

Livestock Indemnity Program

The 2008 Farm Bill includes the Livestock Indemnity Program (LIP) which provides compensation to eligible livestock producers who have incurred livestock death losses due to a natural disaster, on or after January 1, 2008, and before October 1, 2011. Losses because of adverse weather, as determined by the Secretary during the calendar year, including blizzards, disease, extreme cold, extreme heat, floods, hurricanes, and wildfires, are eligible for LIP.

FSA advises farmers and ranchers who lose livestock due to adverse weather to compile and document their livestock death losses. Producers are advised that **verifiable** death loss documentation will not be accepted by County Offices until their LIP applications are filed.

Adequate documentation must prove the death of eligible livestock occurred as a direct result of an eligible adverse weather event in the calendar year for which benefits are being requested.

If adequate verifiable proof of death records documentation is **not** available, a livestock producer may provide reliable records, along with verifiable beginning and ending inventory, as proof of death.

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Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is $5000.

For eligibility requirements contact your local FSA Service Center.

Certifications of livestock deaths by third parties may be accepted FSA **only** if verifiable proof of death records or reliable proof of death records along with verifiable beginning and ending inventory records are **not** available.

Additional information about LIP is available at FSA County Offices or by going on line at: http://www.fsa.usda.gov/FSA/notices?area=home&subject=lare&topic=not&getData=FSA

Down Payment Loan Program

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing a farm. Retiring farmers may use this program to transfer their land to future generations.

To qualify:

- The applicant must make a cash down payment of at least 5 percent of the purchase price.
- The maximum loan amount can not exceed 45 percent of the least of (a) the purchase price of the farm or ranch to be acquired; (b) the appraised value of the farm or ranch to be acquired; or (c) $500,000 (Note: This results in a maximum loan amount of $225,000).
- The term of the loan is 20 years. The interest rate is 4 percent below the direct Farm Ownership Loan rate, but not lower than 1.5 percent.
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee.

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.