



Presque Isle-Cheboygan County News

February 2010

Issue #1

**Presque Isle-Cheboygan
County USDA Service
Center**

**Presque Isle-Cheboygan
County FSA**

4050 Michigan Ave.
Onaway, MI. 49765
989-733-8323 (phone)
989-733-8170 (fax)
www.fsa.usda.gov/mi

Hours

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

County Committee

Ed Reimann –
Chairperson
Wayne Schalk – Vice Chair-
person
Fred Karsten – Member
Sonya Kuffel – Member
Beth Ann Buhr - Member

The County Committee
meets on the third Wednes-
day 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

**SPECIAL
ACCOMMODATIONS**

Special accommodations
will be made upon
request for individuals
with disabilities, vision
impairment or hearing
impairment. If
accommodations are
required, individuals
should contact this
County Office in person
or by phone.

**COMMITTEE ELECTION
RESULTS**

Local Administrative Area 3, that
consists of Bearinger, North Allis,
Allis, and Ocqueoc townships,
and Local Administrative Area 4,
that consists of Rogers, Moltke,
Case, Bismarck, and Belknap
townships held the election this
year for the County Committee.

At the December County Com-
mittee meeting the ballots were
counted and congratulation goes
to Fred Karsten in LAA3 and to
Wayne Schulk in LAA4! Both
began a 3 year term on January
1, 2010.

*Thank you to everyone who par-
ticipated in the election process
and returned their ballots.*

2010 DCP Signup

Enrollment for the 2010 Direct
and Counter-cyclical Program
(DCP) has begun and will contin-
ue through June 1, 2010. USDA
urges producers to make use of
the eDCP automated website to
sign up, or producers can visit
any USDA Service Center to
complete their 2010 DCP con-
tract.

USDA computes DCP Program
payments using base acres and
payment yields established for
each farm. Eligible producers
receive direct payments at rates
established by statute regardless
of market prices. For 2010, eligi-
ble producers may request
advance direct payments based
on 22 percent of the direct pay-
ment.

**INFORMATION THAT MUST
BE INCLUDED ON A CASH
LEASE**

Producers may request a 22%
advance DCP Payment provided that a
cash lease is provided and all of the
following are included on the lease:
Length of lease (list actual years such
as 2010 etc.) Not just 1, 2 or 3yrs),
landowners and operators must have
names printed, signed and dated and
the lease must clearly indicate the type
of lease such as: cash lease, crop
share lease or barter lease and barter
terms. If all information needed is not
present the lease cannot be used for
an advance payment.

**BIOMASS CROP
ASSISTANCE
PROGRAM**

Biomass Crop Assistance Program
(BCAP) provides financial assistance
to producers or entities that deliver
eligible biomass material to designated
biomass conversion facilities for use
as heat, power, biobased products or
biofuels. Initial assistance will be for
the Collection, Harvest, Storage and
Transportation (CHST) costs asso-
ciated with the delivery of eligible
materials.

To receive payment, producers and
entities must deliver the material
to a qualified Biomass Conversion
Facility (BCF) and the biomass materi-
al must be listed as an eligible
material.

More information can be found at
www.fsa.usda.gov or call the county
office.

Bank Account Changes

All FSA payments are to be made by direct deposit unless there is a financial hardship to prevent it. Producers need to notify us when accounts change to prevent a delay in payments.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holding to the Secretary of Agriculture.

Foreign persons who have purchased or sold land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property.



ADJUSTED GROSS INCOME VERIFICATION PROCESS

Overview:

This provides an overview of the average adjusted gross income (AGI) certification and compliance review process. A key component is the data-sharing process with the Internal Revenue Service (IRS). IRS tax information will be used to identify program participants that have complied with statutory AGI requirements, or whether further review is required to make an accurate determination.

Step by Step Process:

Beginning in January 2010, the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) will provide producers with consent forms they voluntarily complete and submit to IRS which authorizes IRS to disclose information to USDA for 2009 and 2010 Adjusted Gross Income (AGI) compliance purposes. Two consent forms, one for individuals (CCC-927) and one for legal entities (CCC-928) will be used. Producers may obtain the consent forms at their local USDA Service Center or online. USDA Service Centers will not accept or retain the completed consent forms.

Producers will mail consent forms directly to IRS; USDA Service Center employees will not accept any tax information, completed forms or other tax-related paperwork from producers for this process. The deadline for producers to submit the consent form to IRS is June 15, 2010. As required by law, producers must sign the applicable consent form to grant IRS the authority to provide tax information data to USDA.

After June 15, 2010, a reconciliation process will be initiated to identify producers that did not file a consent form with IRS. Producers identified through this process will receive written notice of the requirement to submit a consent form to IRS to avoid interruption of program payments.

IRS will check each participant's AGI compliance by performing computerized calculations that indicate whether or not a producer exceeds average AGI limitations. Average AGI calculations for 2009 are computed based on the 2005, 2006, and

2007 tax years, and the average AGI calculations for 2010 are computed based on the 2006, 2007, and 2008 tax years.

Producers whose average AGI appears to be in excess of the statutory AGI limitations will be notified in writing of the results, and provided the opportunity to make available within 30 days to the applicable FSA State Office, a third party verification from a certified public accountant or attorney of their AGI that demonstrates AGI limits have not been exceeded.

Producers determined not in compliance with AGI limitation will be offered appeal rights to either the FSA State Committee or the National Appeals Division.

Producers who fail to respond to written notices of AGI non-compliance or determined non-compliant will be notified of the requirement to REFUND the applicable payments. Actions required by the Debt Collection Improvement Act (DCIA) will be followed by NRCS and FSA.

Call the county office, today, to request the CCC-927 and/or the CCC-928.

ONLINE SERVICES

If you have internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows.

You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office. If you are new to the website, first you will want to obtain a Level 2 Access at: <http://www.eauth.e-gob.usda.gov/> and then click on "Create an Account Page" link.

FARM CHANGES

Please notify our office well in advance of your DCP appointment any changes in farms that need to be added as well as any that you are no longer working. Changes do not update until the following day. For your farm listing to be correct when you sign up or certify please tell us those changes now. This includes changes to LLC's, Partnerships and Corporations.

SUPPLEMENTAL REVENUE ASSISTANCE PROGRAM (SURE)

Background:

SURE provides benefits for farm revenue losses due to 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 Noninsurable 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 Calculations:

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 has 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 utilize the Calculator, visit the FSA website www.fsa.usda.gov Under "I want to . . ." in the upper right corner, click on "View Farm Bill Information".



**PRESORTED STANDARD
 U.S. POSTAGE PAID
 EAST LANSING
 PERMIT #19**

**Interest Rates for
 February 2010**

7 yr. FSFL	2.875%
10 yr. FSFL	3.375%
12 yr. FSFL	3.750%
Commodity Loans	1.375%

Dates To Remember

Continues – Continuous Conservation Reserve Program.

Continues – Farm Storage Facility Loan.

February 15 – Office closed for President’s Day.

March 15 – NAP sales closing date for many crops. Check with the office for a listing.

March 31 – Final date to request loans on barley, oats, rye, and wheat.

June 1 – DCP/ACRE enrollment deadline.

June 30 – Final reporting date for fall seeded crops.

July 15 – Final reporting date for spring seeded crops.



Marketing Assistance Loan Rates

Presque Isle

Crop	Loan Rate
Red Wheat	\$1.73
White Wheat	\$1.96
Corn	\$1.78
Barley	\$1.67
Oats	\$1.32
Soybeans	\$4.87
Sunflowers	\$7.83

Cheboygan

Crop	Loan Rate
Red Wheat	\$1.73
White Wheat	\$1.96
Corn	\$1.78
Barley	\$1.67
Oats	\$1.32
Soybeans	\$4.87
Sunflowers	\$7.90

The final loan availability date for 2009 barley, oats, rye, and wheat is March 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, audiotope, 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.