



St Clair/Macomb FSA News

St Clair/Macomb FSA
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Hours
Monday - Friday
8:00 a.m. - 4:30 p.m.

County Committee
Chairman
Ronald Parks
Vice Chairman
Richard Townsend
Members:
Ronald Beier
John Busemann
James Koss
Advisor
Loretta Domagalski

County Committee meets
3rd Wednesday of the
month

Staff
Brenda Boyd
Ellen Wilson
Steve Simmons
Karla Frammolino

Field Reporter
James Domagalski

**County Executive
Director**
Dean Forrester

Farm Loan Manager
Phil Sweeney
810 664-0895 Ext 2



ACRE

The Average Crop Revenue Election (ACRE) program began on April 27, 2009. ACRE is a provision of the 2008 Farm Bill.

The Average Crop Revenue Election program is an innovative alternative to the traditional farm safety net. This new option presents an opportunity for producers to review both programs (ACRE and DCP) and decide which one will work best for their operation.

Producers have until Aug.14, 2009, to make their decision for the 2009 crop. USDA will not accept any late-filed applications.

Producers who elect the ACRE program for a farm agree to:

- an irrevocable contract through 2012
- forgo counter-cyclical payments;
- accept a 20-percent reduction of the direct payments; and
- accept a 30-percent reduction in loan rates for all commodities produced on the farm.

Commodities eligible for ACRE payments are wheat, corn, grain sorghum, barley, oats, upland cotton, long grain rice, medium and short grain rice, peanuts, soybeans, sunflower seed, canola, flaxseed, safflower, mustard seed, rapeseed, sesame seed, crambe, dry peas, lentils, small chickpeas and large chickpeas.

The ACRE program was created in the 2008 Farm Bill to give producers an option in lieu of traditional counter-cyclical payments. Producers may elect and enroll in ACRE for the 2009 crop year even if they have already accepted advance direct payments under the Direct and Counter-cyclical Program.

To elect ACRE for a farm, producers must complete Form CCC-509 ACRE, which irrevocably elects ACRE for the farm through crop year 2012. Form CCC-509, the contract to participate in ACRE, must then be completed each year the producer intends to participate and receive benefits.

FSA Payment Process

FSA will no longer be issuing checks from the local office. While FSA payments will be “triggered” at the local office, they are now required to be processed through the Federal Reserve Bank of the U.S. Treasury system. Direct Deposit funds are expected to be in the designated producer account within 2-3 days. If you switch banks, close an account or make any change at all to your account information, please ensure that FSA records are updated promptly or significant delay will occur.

If a producer does not have a Direct Deposit account and a check will be issued, please be aware it will be possible to experience delays of 7 days or more as checks will be processed and mailed from Kansas City.

Acresage Reporting

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

Failed acresage 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.

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

Acresage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of June 30, 2009 for 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 acresage being reported.

Eligibility Paperwork



Appointments Recommended

We recommend you call to make an appointment before coming to the office to conduct business. This will enable us to prepare any necessary paperwork and research issues before your appointment. We realize how important your time is and this will reduce the amount of time that you have to wait in the office.

Please call now to set your appointment for DCP signup before you get into the field. DCP signup ends August 14, 2009



Commodity Loan Program

Time is running out to request a 2008 commodity loan on grain stored either on the farm in an eligible storage structure or in an approved warehouse.

The deadlines are:

May 31, 2009 for corn and soybeans.

Contact the local FSA for additional information

Provisions of the new farm bill require Producers to complete all “new” eligibility paperwork beginning in 2009. The required forms include:

- Individual payment eligibility forms if claiming benefits as an individual.
- Entity payment eligibility forms if claiming benefits as a partnership, trust, LLC, corporation and/or estate.

Corporations will need to provide their organizational minutes and possibly a resolution giving authority to sign to the individual member, plus documentation of each member’s shares. Limited Liability Companies/Partnerships will need to provide their paperwork showing who the members are and what is their share of the company. Partnerships are at the very least going to have to provide their certificate of co-partnership on file at the county courthouse.

Please understand that with this requirement as well as the requirement to have all acreages updated to match the digital maps previously mailed will take additional time.

Prices Trigger MILC Payments

Due to low milk prices, FSA is making payments to producers through the FSA’s Milk Income Loss Contract, or MILC, program. The 2008 Farm Bill made changes to the MILC program, most notably the addition of a dairy feed ration cost adjustment in addition to changes to the payment rate and modifications to the per-operation poundage limit, depending on when the milk is produced.

FSA makes MILC payments on a monthly basis when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted for feed costs. FSA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the \$16.94 MILC payment trigger price, and multiplying the difference by 45 percent. The payment factor of 45 percent will decline to 34 percent on September 1, 2012. The monthly Boston price is posted online at:

http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_main_new.htm.

FSA issues payments not later than 60 calendar days after FSA receives production evidence for the applicable month or the entire month’s National Average Dairy Feed Ration Cost is posted for the applicable month, whichever is later.



FSA makes payments up to the maximum eligible pounds of milk produced and marketed by each operation per fiscal year. The annual maximum eligible pound limit per dairy operation is 2,985,000 pounds per fiscal year. The amount drops to 2.4 million pounds per fiscal year on September 1, 2012.

MILC participants must select a month for which FSA will begin issuing payments for each fiscal year. Starting with the dairy operation’s selected month, FSA will issue MILC payments based on that month’s milk production and the milk production for each consecutive month thereafter with the effective payment rate until the operation reaches the production cap or the fiscal year ends.

More information about the MILC program can be found on the FSA website <http://www.fsa.usda.gov>

NAP 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 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.

Farm Changes

If you have any farm changes now is the time to be getting the changes updated and the reconstitution paperwork filed. The sooner you let us know the earlier the reconstitution will be completed.

Prevented Planting Acreage

FSA issued revised provisions regarding the maximum number of prevented planted acres to be approved. FSA will no longer base the eligibility on the history of planting and/or prevented planting of the specific crop.

Deadline to file for prevented planting acreage must be requested *within 15 days* of the ending planting date.



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 and verifiable. Records need to show crop disposition. It is recommended producers submit 2008 production records as soon as possible after harvest. ***All production records must be submitted by the subsequent crop year's final acreage reporting date.***

Transfer of Farm's Administrative Records

A change in a farm's administrative county office may be permitted to a neighboring county that currently has an FSA office without completing a farm combination in the receiving county if at least 1 of the following applies:

- The principal dwelling of the farm operator has changed.
- A change has occurred in the operation of the land.
- There has been a change that would cause the changed administrative county office to be more accessible.
- The producer documents that the changed administrative county office is "significantly" more convenient.

In and out transfers shall be:

- Signed by the farm operator and all owners.
- A one-time option if done because of convenience. (Unless a farm change in operation or ownership of the farm has resulted).
- Made only to a county that currently has an FSA office and is contiguous to the county where the farm is located.

Owners and operators should be aware that eligibility to vote in county committee elections may be affected.

DCP/ACRE "10-Acre" Rule

Farms with 10 or less base acres are ineligible to receive payment in the Direct and Counter-cyclical Program, unless the farm is 50% owned by a Socially Disadvantaged or Limited Resource Producer. However, program rules for 2009 allow farms with 10 or less base acres to combine with other farms to qualify for a DCP payment. In this instance, farm reconstitution rules apply.

Disaster Buy-In Waiver Extension

Producers who did not obtain crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage for 2008 can pay a buy-in fee through May 18, 2009, to become eligible for 2008 disaster assistance programs authorized by the Food, Conservation, and Energy Act of 2008.

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 price support, commodity, and disaster programs if the nonfarm 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 non-farm AGI limitation is \$1 million or less for eligibility. However, an individual or entity that 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 must make significant contributions to the farming operation of: **(1) capital, equipment, land, or a combination thereof; and (2) personal active labor or active personal management, or a combination thereof.**



Unauthorized Disposition

Loan grain is not to be disposed of through feeding, selling, or any other means without prior written authorization. The financial penalties for this are severe. Always call the office before any loan grain is fed or sold.

Thinking of Clearing a Fence Row?

Bringing new land into production by clearing trees, improving drainage by tiling or dredging are potential violations of the HEL/WC rules.

Before you begin any land conversion project, please file form AD-1026. Natural Resources Conservation Service will make an evaluation of your land to determine how to manage the wet areas of your land most efficiently. Checking ahead of time will help keep you eligible for USDA benefits.

FSA Down-payment Program

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing farm property. Retiring farmers may use this program to help 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. This direct loan portion has a maximum loan amount of \$225,000. The loan has a very low fixed interest rate with a 20-year repayment.

Dates to Remember

5/18/09	Deadline to Disaster Buy-In Waiver Extension
5/29/09	Office Closed – Memorial Day
5/31/09	Final date to request a 2008 crop corn, soybean, loan or LDP
6/30/09	Deadline to report fall seeded crops
7/15/09	Deadline to report spring seeded crops
8/14/09	Final date to enroll in DCP & ACRE
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program

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www.fsa.usda.gov/mi



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