



**February/March
2012**

**St. Joseph County
USDA Service Center**

St. Joseph County FSA
693 E Main Street
Centreville, MI 49032
269-467-6336 (phone)
269-467-4356 (fax)
www.fsa.usda.gov/mi

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

County Committee
Sandra Russell
Brian Decker
Edward Schlabach
Sheryl Miller

St. Joseph County
Committee meets
the third Wednesday of
the month at 7:30 a.m.

Staff
Michelle Fambro, PT
Carol Fetterolf, PT
Dana Sherman, PT
Mack Francoeur, FLM
Sharon Hoch, CED

**PLEASE LET US KNOW
WHEN YOUR EMAIL
ADDRESS CHANGES,
SO WE CAN CONTINUE
TO SEND YOU
IMPORTANT
REMINDERS AND
UPDATES.**



2011 FSA County Committee Election Results

Congratulations to Brian Decker and Edward Schlabach! Brian was elected to represent farmers from Leonidas, Lockport, Mendon, Nottawa, & Park Townships. Ed will represent Burr Oak, Colon, Fawn River, Sherman, & Sturgis Townships. This is Brian and Ed's first time on the COC.

The election results for Local Administrative Area (LAA) 2 are: Brian Decker — Elected to the county committee (COC), Lawrence Rice — 1st alternate to COC. The election results for LAA 3 are: Edward Schlabach – Elected to the COC, Todd Zook – 1st alternate to the COC, and Daniel Sharp – 2nd alternate to the COC. FSA appreciates all of the voters for taking the time to complete the election ballots. The county committee system works only because of your participation.

The committee members held their organizational meeting and determined that Sandra Russell is the chairperson, Brian Decker is the vice chairperson, and Edward Schlabach is the member of the COC.

Conservation Reserve Program General Signup

A Conservation Reserve Program (CRP) general signup will be held from **March 12, 2012 through April 6, 2012.**

CRP is a voluntary program that helps agricultural producers use environmentally sensitive land for conservation benefits. FSA provides participants annual rental payments and cost-share assistance. Contract duration is between 10-15 years.

Please contact the office for an appointment.

2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment began Jan. 23, 2012 and will end **June 1, 2012.** Here are some **IMPORTANT REMINDERS:**

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.

- Changes on the farm after enrolling June 1st in DCP/ACRE **must** be reported to your local FSA office such as:

- Ownership changes
- Producer changes (Individuals and Entities)
- Change in crop shares arrangements

Note: Changes cannot be made after **Sept. 30, 2012.**



Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. **These benefits are only available for crops for which the catastrophic level of crop insurance is not available.** Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications.

NAP Losses must be reported within 15 days of loss.

Sale of CRP Land

If land that is enrolled in the Conservation Reserve Program (CRP) is sold to a new owner, the new owner has the option to either assume the CRP contract for the remainder of the contract term, or to refuse the CRP contract. If the new owner of the property decides not to assume the previous owner's CRP contract, FSA will terminate the contract. According to CRP policy, early termination of the CRP contract requires that signatories with shares must refund all payments made for the contract plus interest and liquidated damages. This would include all cost-share received, annual rental payments, maintenance payments and incentives. Sellers of land with CRP should consult with the St. Joseph County FSA Office prior to negotiating the selling of CRP acreage.

IMPORTANT!!
Contact our office **BEFORE** you create new drainage systems or conduct land leveling, filling, dredging, land clearing, excavation, or stump removal.

FSA Adopting GovDelivery

The USDA Farm Service Agency offices are moving toward a paperless operation.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Producers can now subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Loan rates for 2011 crops in St. Joseph County are:

Corn - \$1.88/bushel
Oats - \$1.38/bushel
Soybeans - \$5.01/bushel
Wheat (hard red winter) - \$3.18/bushel
Wheat (soft red winter) - \$2.20/bushel
Wheat (soft white) - \$2.28/bushel

Advance payments will not be issued through the DCP/ACRE program, so if you need short-term money for planting expenses – check out this option!



Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate. Update signature authorization when changes in the operation occur.

Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

Beginning and Limited Resource Farmers

FSA assists 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 than 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 % of the county's median size.

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



Customer Statement

January signals the beginning of a new year, and a time to starting thinking about filing taxes. Producers who have signed up for a USDA eAuthentication Level 2 account will be able to access their farm data via their Customer Statement.

The Customer Statement puts a range of USDA services and programs into a single report that is at your fingertips and available online, 24 hours a day, seven days a week.

It allows USDA customers to view their participation, application and payment status in various commodity and conservation programs; information on farm loans; and conservation plan and land unit 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.

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 the county FSA office staff.

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, contact any Farm Service Agency office near you for more information.

Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. For timely payments to be made, producers need to notify the FSA office if the account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Farm Loan Programs

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

Ask your lender about an FSA loan guarantee if your lender is reluctant to extend or renew your 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 October 1, 2011.

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

FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program, Farm Storage Facility Loan, & Adjusted Gross Income documents. For more clarification on spousal signature authority, contact your local FSA office.

IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 losses runs through **June 1, 2012**.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.

- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

Maintenance of DCP/ACRE Program Acres

DCP/ACRE

participants are required to protect all idle contract acres from erosion and weeds. Idle fields designated as "contract acres" must have a sod cover, crop residue, or volunteer grasses. Weeds are not an acceptable cover and must be mowed.

Planting Transferability Pilot Project in Michigan

The USDA Farm Service Agency (FSA) planting Transferability Pilot Project (PTPP) permits Michigan producers to plant approved vegetables for processing on base acres under the Direct and Counter-Cyclical Program (DCP). Eligible producers have until **March 1, 2012** to sign up for the PTPP program.

The PTPP allows producers to plant approved fruits or vegetables for processing on a farm's base acres - these include cucumbers, green peas, lima beans, pumpkin, snap beans, sweet corn or tomatoes. Without the PTPP, planting these crops on base acres would be prohibited. Base acres on a farm will be temporarily reduced each year on an acre-for-acre basis, for each base acre planted with an approved fruit or vegetable on that farm. Michigan is approved to enroll a total of 9,000 acres into PTPP.

Eligible participants must agree to produce one of the approved crops for processing and to provide the county FSA office with a copy of the contract between the producer and processing plant. Participants must agree to produce the crop as part of a program of crop rotation on the farm to achieve agronomic, pest and disease management benefits, and to provide disposition evidence of the crop. Participants must complete form CCC-749 (available at <http://www.fsa.usda.gov>) and file it with their county FSA office by the **March 1, 2012** deadline.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of socially disadvantaged applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

Emergency Loans

Eligible family farmers may qualify for Farm Service Agency (FSA) emergency (EM) loans due to the following adverse weather conditions:

- Excessive rain, high winds, hail, freeze, frost, blizzard, tornadoes, flooding, and lightning that occurred February 1, 2011 and continuing.
- Drought and excessive heat that occurred from July 1, 2011 and ending October 18, 2011.

Emergency loan applications will be received through **September 27, 2012** for production losses.

Farm Storage Facility Loan (FSFL)

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing for the purchase and installation of new, eligible storage facilities or permanently affixed drying equipment or for new components used to remodel existing facilities. Low cost financing for storage facilities is available for a variety of commodities, including wheat, soybeans, corn, hay, renewable biomass, and cold storage for fruits and vegetables. Loan terms of 7, 10 and 12 years are available depending on the amount of the loan.



| Selected Interest Rates for February, 2012 | |
|---|--------|
| Conservation Loan | 3.375% |
| Farm Operating - Direct | 1.375% |
| Farm Ownership - Direct | 3.375% |
| Limited Resource | 5% |
| Emergency | 3.75% |
| Farm Storage Facility – 7 year | 1.375% |
| Commodity Loans | 1.125% |

Annual Payment Limitation Notice

Payments for all FSA farm programs are governed by payment limitation and payment eligibility requirements. Payment limitations per person for 2012 are \$40,000 for Direct Payments (DCP); \$65,000 for Counter Cyclical Payments (DCP) and ACRE payments; \$50,000 for CRP; no limits for market gains and LDP's; \$100,000 for Disaster Assistance Programs; and \$100,000 for NAP.

If you have any topics of interest that you would like to see included in future newsletters, feel free to email me at sharon.hoch@mi.usda.gov.



| Dates to Remember | |
|-------------------|--|
| Mar. 1 | Enrollment deadline for 2012 Planting Transferability Pilot Project |
| Mar. 31 | Final date to obtain loans or loan deficiency payments on 2011 barley, oats, wheat. |
| March 15 | Deadline to purchase non-insured crop disaster assistance program (NAP) and/or FCIC coverage on barley, beans, broccoli, cabbage, cantaloupes, carrots, cauliflower, celery, clover seed, corn, cucumbers, greens, herbs, honeydew, lettuce, oats, peas, tomatoes, watermelon, HRS wheat, & other crops. |
| May 1 | Application deadline for coverage for NAP nursery crops for the following year's crop. |
| May 31 | Final date to obtain loans or loan deficiency payments on 2011 corn, grain sorghum, soybeans. |
| June 1 | Deadline for 2012 DCP/Acre enrollment. |
| June 1 | Deadline to sign up in 2010 Supplemental Revenue Assistance Payments Program (SURE) |
| June 20 | Final date to submit a prevented planting claim for corn. |
| June 30 | Final date to submit a prevented planting claim for soybeans. |
| June 30 | Crop reporting deadline for fall seeded small grains, including rye, speltz and wheat. |

Civil Rights/Discrimination Complaint Process

As a participant or applicant for programs or activities operated or sponsored by USDA you have a right to be treated fairly. If you believe you have been discriminated against because of your race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program, you may file a discrimination complaint. The complaint should be filed with the USDA Assistant Secretary for Civil Rights within 180 days of the date you became aware of the alleged discrimination. To file a complaint of discrimination, write 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.