



MAY 2010

# SANILAC FSA County Office News

## FARM SERVICE AGENCY

### USDA Service Center

Sanilac County FSA  
50 E Miller Rd  
Sandusky, MI 48471  
810-648-2998 (phone)  
810-648-4670 (fax)  
[www.fsa.usda.gov/mi](http://www.fsa.usda.gov/mi)

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

Website  
[www.fsa.usda.gov](http://www.fsa.usda.gov)

**County Committee**  
Mark Stone, Chair  
Mike Bender, Vice Chair  
Mary Nichol, Member  
Sally Grout, Advisor

**County Executive Director**  
Rosemarie Gallagher

**Farm Loan Manager**  
Steve Craig

**Office Staff**  
Amy Brown  
Mary Beth Byers  
Kim Deming  
Dorann Miller  
Brenda Nichol  
Sherri Sadro  
Felicia Schulte

Walter Bonczar  
Ken Janowiak



### Crop Reporting / It's Required

The annual, timely and accurate reporting of planted 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, ACRE, marketing assistance loans and Loan Deficiency Payments, SURE, etc.

Conservation Reserve Program (CRP) 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<sup>th</sup> for fall seeded crops and July 15<sup>th</sup> for all other crops.

### Prevented Planting:

Prevented planting needs be reported no later than 15 calendar days after the final planting date.

### Final Planting Dates:

Barley	5/20	Corn	6/5
Dry Beans	6/25	Oats	5/20
Soybeans	6/15	Wheat	10/25
Sugar Beets	5/20		

### Failed Acreage:

Reports of failed acreage must be filed before disposition of the crop, and producers must be able to establish to the satisfaction of the County Committee that the crop failed and was prevented from being replanted through the normal planting period because of natural disaster conditions.

### DCP / ACRE Contract

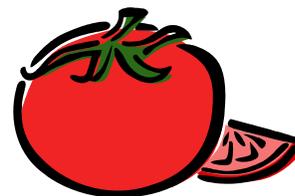
#### DEADLINE APPROACHING JUNE 1st

Enrollment for the 2010 DCP program has begun and will continue through the deadline of June 1, 2010. **The June 1, 2010 signup deadline is mandatory for all participants.** *There are no late Filed Application provisions.* Producers can visit any USDA Service Center to complete their 2010 DCP or ACRE contracts.

Lease Requirements for Rented Ground  
Must contain:

- Type of lease (cash, share, etc)
- Landowner name, signature and date
- Farm operator name,
- Length of lease (specific years or list number of years)

Thinking of Planting Fruits or Vegetables?  
In general, producers enrolled in DCP or ACRE may not plant Fruits and or Vegetables on base acres enrolled under contract.



However they may be planted:

- On a farm with a history of planting fruits and vegetables (FAV)
- If the producer has an established history of planting a specific FAV

DCP/ACRE payments will be reduced by an acre for each acre of base planted to a fruit or vegetable. Substantial penalties apply if these rules are not followed. Please contact the office for more information.

## 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.



## POWER OF ATTORNEY

Did you know you can retain an agent to act on your behalf for programs and transactions authorized under the 2008 Farm Bill and most other FSA administered programs?

This can be done by completing an FSA-211: Power of Attorney. The form is available at your local USDA Service Center or on-line at <http://forms.sc.egov.usda.gov>. Forms completed outside FSA offices must be notarized. To find out more, call the office.

## DCP CONTINUED . . .

**Cash Rent Certification:** CCC-510 form can be completed by anyone who is requesting no advance or advance payment after June 1<sup>st</sup>, if all requirements are met, must have rented the farm and received a payment in the previous crop year.

**Direct Payment** is a guaranteed payment calculated using the farm base & yield. Payment rates are per bushel:

Barley	0.24	Corn	0.28
Oats	0.024	Soy	0.44
Wheat	0.52		

**Counter Cyclical** payments are a payment based on a 12 month marketing cycle in comparison to the target price. This is **not** a guaranteed payment.

### Average Crop Revenue (ACRE)

The ACRE alternative provides eligible producers a state level revenue guarantee, based on the 5 year olympic average yield and the 2 year national average price.

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

- Forgo counter cyclical payments
- Accept a 20% reduction in the guaranteed direct payment
- Accept a 30% reduction in loan rates for all commodities produced on the farm

ACRE payments are revenue based and are tied to crop production and the National Average Market price for planted covered commodity crops on the farm.

### Reporting Requirements

Producers who participate in ACRE must annually report acreage and **production** to FSA by the acreage reporting deadline of July 15<sup>th</sup> (June 30<sup>th</sup> for Wheat).

## Actively Engaged

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Countercyclical Program (DCP) or Average Crop Revenue Election (ACRE) program.

Each stockholder or member of a legal entity does not have to contribute labor or management if both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management that altogether qualifies as a significant contribution to the farming operation;
- The total direct payments received, both directly and indirectly, by the legal entity and each of the members cannot exceed \$40,000.

## Conservation Reserve Program (CRP)

At this time USDA has three ongoing CRP programs for qualifying environmentally sensitive acreage. Programs for enrollment include Continuous (CCRP); Conservation Reserve Enhancement (CREP); and State Acres For Wildlife Enhancement (SAFE). These programs remain funded and continue to provide heightened environmental and financial benefits to selected areas. USDA has announced intentions to conduct a General CRP signup in 2010. We hope to provide you with the details in the near future.

**REMEMBER:** Cover maintenance for CRP is the participant's responsibility. All activity such as mowing, burning, and spraying must be conducted outside the primary nesting season for wildlife, which is August 1 – August 20. If you have a need to mow, burn, or spray before these dates, please contact the office for early approval of such activities.

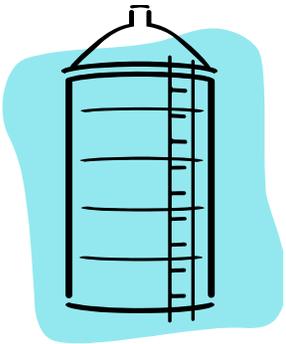
## Wetland Compliance

If you plan on clearing, draining, dredging, stump removal or tile maintenance of any kind, you need to file an AD-1026 with our office **before you begin**. Failure to do so could result in the loss of USDA benefits.



## 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.



## FARM LOAN PROGRAMS

The Farm Service Agency (FSA) offers loans for farmers 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.

Rural youth loans, loans to beginning farmers and loans for socially disadvantaged applicants are also available through FSA. For details just contact the county office for an appointment with a farm loan officer.

**There has been a large increase in demand for FLP services, so please contact your Farm Loan Programs staff early if you need FSA credit for spring planting, etc.**

## SANILAC COUNTY 2010 CROP YEAR COMMODITY LOAN RATES

CROP	2010 LOAN RATE
Barley	\$1.82
Corn	\$1.89
Oats	\$1.38
Soybean	\$4.96
Red Wheat	\$1.73
White Wheat	\$2.03
Ungraded Wool	\$0.40
Graded Wool	\$1.38

## ADJUSTED GROSS INCOME (AGI) AND THE IRS:

Every producer who participates in FSA's programs must annually certify to being in compliance with the AGI rules and regulations. This certification takes place on the CCC-926, Average Adjusted Gross Income (AGI) Statement, and refers to the producer exceeding/not exceeding \$500,000.00 of nonfarm average AGI (for commodity and disaster programs), \$750,000.00 of farm average AGI (for direct payments), and \$1,000,000.00 of nonfarm average AGI (for conservation programs).

The review and verification of AGI compliance certifications submitted by program participants is required to ensure the accuracy of payments and the integrity of these programs. FSA and IRS have finalized a data-sharing process for average AGI compliance and verification. IRS will report the results of this process to FSA on a regular basis.

The good news is that no actual tax data will be included in the report that IRS sends to USDA. The average AGI verification and data comparison processes begin with participants providing consent to IRS for the use and disclosure of tax information to FSA for AGI compliance purposes. The consent form is either a CCC-927, 2009 &/or 2010 Consent to Disclosure of Tax Information – Individual, or a CCC-928, 2009 &/or 2010 Consent to Disclosure of Tax Information – Legal Entity.

These forms may be obtained from the local Farm Service Agency or online at: <http://forms.sc.egov.usda.gov/eforms/mainervlet>.

**IMPORTANT:** Due to Personal Identifiable Information issues, it is completely the responsibility of the participant, not the local FSA office, to fill out the form and send it to the IRS. The consent form should be mailed directly to the IRS at the address given on the form no later than **June 15, 2010**. **DO NOT** return the completed and signed forms to the FSA office. Failure to provide the written consent to the IRS may require refunding monies earned in 2009 and/or delay in payments for 2010.



**SPECIAL ACCOMODATIONS**

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 Nomination Petitions**

Local Administrative Area 3 that consists of the following townships: Flynn; Elk; Buel; Lexington; Maple Valley; Speaker; Fremont; & Worth will have the election this year for the County Committee member.

Anyone who wishes to run for County Committee and who resides in the townships listed above may complete a nomination petition by August 2, 2010. All nomination petitions received timely will have the name included on the ballots for this upcoming election.

The County Committee meets on the first Wednesday of each month at 9:00 am.

May 31	Last day to request 2009 crop year Corn and Soybean loans
May 31	Office Closed – Memorial Day Holiday
June 1	DEADLINE for enrollment in DCP or ACRE Contracts for crop year 2010.
June 30	Final Date to report FALL seeded crop acreage (wheat)
July 5	Office Closed – Independence Day Holiday
July 15	Final Date to report planted crop acreage – Production reporting deadline for anyone enrolled in ACRE
Continues	Continuous Conservation Reserve Program
Continues	Farm Storage Facility Loan



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.