



Tuscola County News

Tuscola County
USDA Service Center

Tuscola County FSA
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www.fsa.usda.gov/mi

Hours
Monday – Friday
8:00 am – 4:30 pm

County Committee
Matthew Zimba Chairman
Bruce Findlay Vice Chair
Duane Weber Member
Karen Goodchild Advisor

County Committee meets
3rd Wednesday of month

Staff
Jonathan Link
County Executive
Director

Robert Catherwood
Farm Loan Manager

Angela Herford
Farm Loan Officer

Technicians
Dana Bennett
Eve Elliott
Catherine Hall
Michelle Larkin
Patrice Steele
Connie Sy



DCP Signup Underway

Signup has started for the 2009 Direct and Counter-cyclical Payment (DCP) Program for farms with base acres. You can signup online or at local USDA service centers. **Signup has been extended until August 14, 2009.** The August 14, 2009 deadline is mandatory for all participants. **FSA will not accept any late-filed applications.** Don't wait for acreage reporting to complete your contracts, it might be too late.

Producers who are eligible for the DCP Program will also be eligible to enroll in the Average Crop Revenue Election (ACRE) Program. The enrollment period for the **ACRE Program will begin in the spring.** You may first enroll in the DCP Program, receive advance direct payments and then later modify your enrollment to include the ACRE program. Once ACRE is elected for the farm it will remain enrolled in ACRE for the duration of the 2008 Farm Bill, regardless of owner/operator changes. Sign up for the ACRE program is NOT AVAILABLE at this time.

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 pro-

ducers 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 dates will be announced soon to provide a producer a choice to participate in ACRE, or stay with DCP.

A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. **The signup deadline has been extended to August 14, 2009** to allow ample time for you to make your decision. Please keep in contact with this office as more information becomes available.

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.

June 30 is the final date for fall seeded crops and **July 15** is the deadline for spring seeded crops. CRP/CREP participants are encouraged to come in now, to avoid long waits that could occur closer to the deadline.





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.



Appeal Process

After an FSA official makes a decision on your request for USDA services or application, you will be sent a letter informing you of the decision and options you can pursue if you disagree. Generally, program participants have three choices — an informal review with the original agency decision-maker, an opportunity for mediation and finally an appeal to the next level of authority within the agency.

MILC Sign Up Underway

Signup for the Milk Income Loss Contract Program (MILC) is underway and will continue through the program's expiration date, Sept. 30, 2012.

There are three key changes in program operation. Under the Farm Bill, the MILC payment rate and the per-operation poundage limit are modified. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per cwt. benchmark price upward depending on the cost of feed rations. When available, MILC payments are based on a payment rate percentage that is multiplied by the difference between a now-flexible target (\$16.94 per cwt. or higher) and the specific month's Boston Class I price of milk.

The 2008 Farm Bill made changes to the provisions for payment eligibility and adjusted gross income (AGI). If the individual or entity has non-farm AGI greater than \$500,000, the individual or entity is not eligible for MILC benefits.

New Forms to Complete

Anyone wishing to receive a payment from the FSA Office will be required to complete new Farm Operating Plans (CCC-902I or E) and the Adjusted Gross Income Form (CCC-926). This means that 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. These forms will take time to complete and you may want to take them home to complete them. Payments will be held up until all documentation and forms have been submitted

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. Request for recons should be filed by June 1.

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.



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. Have you made a change in your bank account?

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.

Farmers have an additional opportunity to become eligible for several programs if they suffered 2008 agricultural losses due to natural disaster.

If you have not already taken the necessary steps to become eligible for the Supplemental Revenue Assistance Program (SURE), Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP), and the Tree Assistance Program (TAP), you are required to complete the following steps by May 18, 2009:

- Pay a \$100 "buy-in" fee per crop. The maximum fee is \$300 per county, per producer, not to exceed \$900 for multi-county producers.
- In the case of each insurable crop, excluding grazing land, agree to obtain a policy or plan of insurance for the next insurance year for which crop insurance is available; coverage level should equal 70 percent or more of the yield at 100 percent of the price.
- In the case of each noninsurable crop, agree to file the required paperwork and pay the applicable administrative NAP coverage fee by the applicable state application closing date for the next available year.

Those who choose to "buy in" under this provision will be considered, for insured crops, to have obtained a policy or plan of insurance for the 2008 crop year at a level of coverage not to exceed 70 percent of the yield at 100 percent of the price. For noninsurable crops, producers will be considered to have a level of coverage equal to 70 percent of the yield. These levels of coverage will be used to calculate the 2008 SURE guarantee.

Producers who meet the definition of "Socially Disadvantaged, Limited Resource," or "Beginning Farmer or Rancher," are not required to pay the buy-in fee.

Farm Storage Facility Loans

Low cost loans for storage facilities are available for producers to build or remodel farm storage facilities for a variety of commodities, including wheat, corn, barley, oats and soybeans.

Farm Storage Facility Loans are available for the purchase and installation of new permanently affixed eligible storage facilities. All farm storage facility loan are secured by a promissory note and security agreement. The maximum amount that may be borrowed is 85 percent of the net cost of the storage or handling equipment, up to \$100,000 for each borrower. These loans require a 15 percent down payment and are for a term of seven years. Loans to erect new storage facilities are available at the attractive interest rate of 2.250% during the month of March.

Conservation Compliance Reminder

All participants in USDA programs are required to have a conservation system in place on all the highly erodible land that they operate. Several areas where problems can arise with complying with a conservation system are: renting new cropland, purchasing new cropland, breaking out additional cropland, shortening an established cropping rotation, planting new crops, and changing or removing existing conservation practices.

It is very important that you contact the FSA office BEFORE doing any of the above. Also, it is very important that you contact your local County office BEFORE modifying (tiling, draining, dredging, filling or leveling) any wetland or drainage ditch. Failure to obtain advance approval for any of these situations can result in loss of all Federal payments and program eligibility.

Visit our Web site at:
www.fsa.usda.gov/mi



**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 the County Office in person or by phone.

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	
May 18	Disaster Buy-In closes
May 25	Office closed for the observance of Memorial Day
June 30	Fall seeded acreage reports due
July 15	Spring seeded acreage reports due
August 14	Signup for DCP/ACRE deadline
Continues	Farm Storage Facility Loans
Continues	Conservation Reserve Enhancement Program
Continues	Continuous Conservation Reserve Program

Farm Record Changes

We strongly encourage you to report all farm record changes to this office as soon as possible. This will save you time and current records make for a more accurate and efficient signup.

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.