



Area County Committee 2009

CONGRATULATIONS Gary Lathwell, LAA-3 and Robert Morlock, LAA-5, have been re-elected to serve a three year term to the Area County Committee.

The Area committee for 2009 is:
Gary Lathwell, Chairperson LAA-1
Bruce Eisenga, Vice Chairperson LAA-4
Mike Clous, Member LAA-3
Robert Morlock, Member LAA-5
Rick Tacoma, Member LAA-2

Alternates to the committee are:
1st Alternate, LAA-1, Larry Lindgren
2nd Alternate, LAA-2 Ron Gillison
1st Alternate, LAA-5 Larry Gingrich
2nd Alternate, LAA-5 Gary Wemple
1st Alternate, LAA-3 Jim George
1st Alternate, LAA-4 Doug Benthem
2nd Alternate, LAA-4 Paul Miller

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

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 will continue until June 1, 2009. The June 1, 2009 deadline is mandatory for all participants. FSA will not accept any late-filed applications.

The electronic DCP (or eDCP) service will save you time, reduce paperwork and speed up contract processing at FSA offices. It is available to anyone eligible to participate in the DCP Program and can be accessed at www.fsa.usda.gov/dcp. To access this on-line service, you must have an active USDA

eAuthentication Level 2 account, which requires filling out an online registration form at <http://www.eauth.egov.usda.gov> followed by a visit to the local USDA Service Center for identity verification.

FSA 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 2009, you may request to receive advance direct payments based on 22 percent of the direct payment for each commodity associated with the farm. FSA will issue advance direct payments, if requested. Counter-cyclical payment rates vary depending on market prices and are issued only when the effective price for a commodity is statutorily set below its target price.

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 or you may wait and elect to enroll in DCP and ACRE at the same time in spring 2009. 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.

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.

The 2008 Farm Bill reauthorizes the MILC Program, which operates similarly to the counter-cyclical payment program for crops, and makes three key changes in program operation. Under the Farm Bill, the MILC

USDA Service Center
Wexford Osceola Benzie
Missaukee FSA
7192 E 34 Rd.
Cadillac MI 49601
231 775 7681 (phone)
231-775 0938 (fax)

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

Office Staff
Virginia Pulford, CED
Cindy Richard, PT
Patty Salasky, PT
Benita Meekhof, PT
Ron Kamaloski, Field
Marsha Musselman, Field

Farm Loan Staff
Larry Cleary, FLM
Rick Dean, FLM (Osceola)

County Committee
Gary Lathwell, Chair
Bruce Eisenga, Vice Chair
Mike Clous, Member
Bob Morlock, Member
Rick Tacoma, Member
Advisor
Karen Westmaas



payment rate and the per-operation poundage limit are modified, depending on when the milk is produced. In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (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.

For more information on the MILC program, contact your local USDA Service Center.

Payment Limits & Direct Attribution

For commodity and disaster programs, the AGI limitation was reduced from \$2.5 million from all sources to a three-year average **non-farm AGI of \$500,000..** A person or entity shall not be eligible for price support, commodity, and disaster programs if the non-farm 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 nonfarm AGI limitation is \$1 million or less for eligibility. However, an individual or entity who 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 there of; and (2) personal labor or active personal management, or a combination there of. For more detailed information contact your local FSA office.

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.

Foreign persons who have purchased or sold agricultural 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 percent of the fair market value of the property.

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 directly or by phone.

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, please contact our office or 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. In order for payments to be made, producers need to notify the FSA county office if your 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.

FSA Signature Policy

Using the correct signature when doing business with FSA can save time and prevent a delay in program benefits. The following are FSA signature guidelines:

- A married woman shall sign her given name: Mrs. Mary Doe, not Mrs. John Doe
- For a minor, FSA requires the minor's signature and one from an eligible parent
Note, by signing the applicable document, the parent is liable for actions of the minor and may be liable for refunds, liquidated damages, etc
- When signing on one's behalf the signature must agree with the name typed or printed on the form, or be a variation that does not cause the name and signature to be in disagreement. Example - John W. Smith is on the form. The signature may be John W. Smith or J.W. Smith or J. Smith. Or Mary J. Smith may be signed as Mrs. Mary Joe Smith, M.J. Smith, Mary Smith, etc
- FAXED signatures will be accepted for certain forms and other documents provided the acceptable program forms are approved for FAXED signatures. Producers are responsible for the successful transmission and receipt of FAXED information.

Examples of documents **not** approved for FAXED signatures include:

- Promissory note
 - Assignment of payment
 - Joint payment authorization
 - NAP actual production history and approved yield record
 - Acknowledgement of commodity certificate purchase
 - Financing statement
 - UCC financing statement
- Spouses may sign documents on behalf of each other for FSA and CCC programs in which either has an interest, unless written notification denying a spouse this authority has been provided to the county office
 - Spouses shall not sign on behalf of each other as an authorized signatory for partnerships, joint ventures, corporations, or other similar entities
 - All members of a general partnership must sign for the general partnership unless an individual is authorized to act on the behalf of the general partnership and bind all members
 - Spouses may sign on behalf of each other's individual interest in a partnership, unless notification denying a spouse that authority is provided to the county office

- Acceptable signatures for general partnerships, joint ventures, corporations, estates, and trusts shall consist of an indicator "by" or "for" the individual's name, individual's name and capacity, or individual's name, capacity, and name of entity.

For additional clarification on proper signatures contact your local FSA office.

Looking For a Farm Loan?

FSA provides financial assistance and business planning. Farmers that intend to apply to the Farm Service Agency for loan assistance for the upcoming crop year are encouraged to file their applications as early as possible. Filing early will help ensure that your loan is processed and approved as early as possible so that planting decisions can be made. Failure to apply early can result in a delay in processing loans due to the volume of applications that must be processed in date order.

Loans to Beginning Farmers and Ranchers.

FSA provides direct and guaranteed loans to beginning farmers and ranchers who don't yet meet the qualifications to obtain financing from a traditional lender. Each Fiscal Year, the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to beginning farmers and ranchers. A beginning farmer or rancher is an individual or entity (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility criteria requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO purposes, does not own a farm greater than 30 percent of the median size farm in the county. All applicants for direct FO loans must have operated a farm for at least 3 years.

CROP DISASTER PROGRAM

February 27, 2009 is the final date to submit all supporting documentation required for applications submitted under the 2005, 2006, 2007 QUANTITY AND QUALITY CROP DISASTER PROGRAM. The program ends on this date.

EMERGENCY LOANS AVAILABLE

Due to several 2008 emergency declarations for drought, storms, frost/freeze, loans are now available to producers who suffered at least a 30 percent loss of expected production that was affected by one of the approved disaster conditions. Interest rate is 3.75 percent for a 7 year loan. (Longer terms are also available.) For details contact Larry Cleary or Rick Dean.

AD-1026 Highly Erodible Land Conservation (HELC) and Wetland Conservation (WC) Certification

All producers are required to notify the FSA Office and complete form AD-1026 before they intend to do any of the following. ** Convert wetlands by **draining, dredging, filling, leveling, tiling, land clearing** or any other means that would allow the planting of any crop, pasture, agricultural commodity, or other such crops. ** Plant or produce an agricultural commodity on wetlands converted after December 23, 1985. ** Plant or produce an agricultural commodity on highly erodible fields unless actively applying an approved conservation plan or maintaining a fully applied conservation system. NRCS will make the determination if the area in question is a wetland or highly erodible land. Failure to follow established wetland and HEL regulations will result in the loss of program benefits for current and possibly future years

NON INSURED DISASTER PROGRAM (NAP)

March 15, 2009 is the final date to purchase 2009 NAP coverage on annually planted crops. The fee is \$250 per crop not to exceed \$750 per producer per county, and not to exceed \$1,875.00 per producer.

If you have not turned in your 2008 production records please do so at this time so your expected yields (APH) for 2009 can be determined.

WOOL/PELT LDP'S

For participation in the 2009 program year, form CCC-633EZ, page 1, must be signed and on file prior to losing beneficial interest. After receiving marketing slip from your co-operative/buyer, bring the receipts to the office (mail or fax) and sign page 4 of the CCC-633EZ. The signature on page 4 is your request for a loan deficiency payment (LDP). For "pelt" payments, receipts must indicate unshorn.

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.