



Wexford-Osceola Benzie-Missaukee Counties' News

Wexford-Osceola
Benzie-Missaukee
Service Center

USDA SERVICE CENTER

7192 E 34 RD
Cadillac, MI 49601
231 775-7681(phone)
231 775 0938 (fax)
www.fsa.usda.gov/mi

Hours

Monday - Friday
7:30 a.m. - 4:30 p.m.

County Committee

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

County Committee meets
3rd Tuesday of each
month.

Staff

Virginia Pulford, CED
Larry Cleary, FLM
Rick Dean, FLM-Osceola
Cindy Richard, PT
Patty Salasky, PT
Benita Meekhof, PT

Field Reporters: Ron
Kamaloski and Marsha
Musselman



DCP & ACRE Signup Extended

Signup for the 2009 Direct and Counter-cyclical Payment (DCP) Program has been extended until August 14, 2009. FSA will not accept any late-filed applications. Signup in the ACRE option is also available through August 14, 2009. You can sign up for DCP now and still be eligible to change to the ACRE program. 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.

Farm Reconstitutions

At FSA, 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. If an owner or operator can not agree about program participation, like in the case of the new ACRE program, then producers should inquire about a reconstitution of the farm at the local FSA office. Normal reconstitution rules apply.

The reconstitution—or recon—is the process of combining or dividing farms or tracts of land based on the farming operation. To be effective for the current year, recons must be requested by **August 1** for farms enrolled in specific programs.

ACRE Signup is Ongoing

The Average Crop Revenue Election (ACRE) is a new program authorized by the 2008 Farm Bill. The ACRE program signup began April 27, 2009, and runs through August 14, 2009. 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.

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

- 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, soybeans, sunflower seed, and canola for this area of the country.

The ACRE program was created 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 file 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 be completed each year the producer intends to participate and receive benefits. The best way to determine if your farm will benefit from the ACRE program is to search on-line using the words “ACRE calculator 2008”.

ACRE payment is based on the revenue lost on the BASE crop actually planted and designated per FSA Farm number. Your five year yield history of this planted crop will have to be established per FSA farm number. For additional information visit:

www.fsa.usda.gov/dcp

DCP/ACRE "10-Acre" Rule

Farms with 10 or less base acres are ineligible to receive payment in the Direct and Counter-cyclical Program and ACRE, 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/ACRE payment. In this instance, normal-farm reconstitution rules apply.



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.

Crop Reporting

The annual, timely and accurate reporting of 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:

- Direct and Counter-cyclical Program,
- Acreage Crop Revenue Election (ACRE), marketing assistance loans and Loan Deficiency Payments
- Conservation Reserve Program acreage must be reported to receive annual rental payments.
- Crop acreage for Non-insured Crop Disaster Assistance Program (NAP).

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, 2009 for fall seeded small grain crops and July 15th for all crops except fall seeded small grains. Making appointments or contacting the office prior to your visit is very helpful to the staff. We can have a lot of the paperwork ready for your visit when we know you are on your way.

Prevented Planting:

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

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.

Pulse Crops

Producers with current pulse crop acre history in 1998 through 2001 will be notified of the opportunity to update pulse crop base acres to their farm using one of three options. Producers must also provide verifiable and acceptable production evidence to support the calculated average farm yield for each pulse

crop. The deadline for pulse crop base acres and yield election is August 14, 2009.

Producers that did not file acreage reports on pulse crops in 1998 through 2001, may now provide a late-filed acreage report at no charge. Acceptable evidence of the existence and disposition of the crop is required: Late-file prevented planting provisions for 1998 through 2001 pulse crops also apply.

Sodbuster Regulations

Sodbuster violations are unauthorized tillage practices on highly erodible lands that convert native vegetation such as grassland, rangeland or woodland, to crop production after Dec. 23, 1985.

Farmers and ranchers should be aware that if they use highly erodible land for crop production without proper conservation measures, they risk losing eligibility to participate in most USDA programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they should check with their local USDA Service Center prior to bringing such acreage into production. An AD-1026 form may need to be completed for a formal determination.

If the USDA Natural Resources Conservation Service (NRCS) indicates on a CPA-026 that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage, before bringing land into production.

In addition, producers and the producer's affiliates have to file an AD-1026 in the administrative or control county office before any farm program payments can be made. The AD-1026 is the producer's signed certification that HELC, as well as wetland conservation, provisions will not be violated

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.



SPOUSAL SIGNATURES

Spouses may sign documents on behalf of each other for many FSA programs unless written notification denying a spouse this authority has been provided to the county office. This does not apply to commodity loans, farm loans, or the Loan Deficiency Program (LDP). Spouses must have an FSA-211 on file to sign commodity loan documents or LDP applications on behalf of each other.

Down Payment Loan Program

FSA has a special loan program to assist socially disadvantaged and beginning farmers in purchasing a farm. Retiring farmers may use this program to 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.
- The maximum loan amount can not exceed 45 percent of the least of (a) the purchase price of the farm to be acquired; (b) the appraised value of the farm or ranch to be acquired; or (c) \$500,000 (Note: This results in a maximum loan amount of \$225,000).
- The term of the loan is 20 years. The interest rate is 4 percent below the direct Farm Ownership Loan rate, but not lower than 1.5 percent.
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee.

Measurement Service

Farmers who would like a guarantee on their crop plantings and land use acreages can make it official by using the FSA measurement service. Producers must file a request with the county office staff and pay the cost of a field visit to have stake and referencing done on the farm. Measurement services are available using digital imagery and where an on-site visit is not required are charged at a reduced rate.

Incorrect acreage self-certification can result in reduced program payments, penalty, or loss of eligibility.

Producers can request ortho-imagery and CLU covering their land (commonly referred to as a clip) at no charge. This would provide the acreage of an entire field.

Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5000.

Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 21 years of age
- Live in a rural area or in a town of 50,000 people or fewer
- Must obtain a written recommendation and consent from a parent or guardian if the applicant has not reached the age of majority under state law
- Comply with FSA's general eligibility requirements
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.





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.

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.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans can reach a maximum indebtedness of \$1,094,000. Emergency loans are always direct loans for farmers who may have suffered physical or production losses in disaster areas designated by a Presidential or Secretarial disaster declaration. Rural Youth Loans, Loans to Beginning Farmers and loans for socially disadvantaged applicants are also available through FSA.

Dates to Remember	
May 25 th	Office closed for the Observance for Memorial Day
June 30 th	Last day to report fall seeded small grain crops
July 3 rd	Office closed for the Observance of Independence Day
July 15 th	Last day to report all other crops.
August 14 th	Last day to signup for DCP and ACRE
Continues	Farm Storage Facility Loan
Continues	Continuous Conservation Reserve program & CRP-SAFE

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

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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.