

May 2012



Wexford/Benzie/Missaukee/Osceola County FSA Updates

DEAR PRODUCERS: Welcome to the new GovDelivery bulletins and updates service from your Wexford/Benzie/Missaukee/Osceola County FSA office. Note that you are welcome to request to receive bulletins from more than one county and can add or remove individual subscriptions at any time.

Wexford/Benzie/ Missaukee/Osceola County FSA Office

Address:

7192 E. 34 Rd.
Cadillac, MI 49601

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Hours: 8:00 AM - 4:30
PM

County Executive

Director:

Travis Murray

Program Technicians:

Patty Salasky
Benita Meekhof
Angela Case

County Committee (COC)

Bruce Eisenga, Chair
Bob Morlock, Vice Chair
Rick Tacoma, Member
Eric Peterson, Member
Larry Lathwell, Member
Lorry Klinger, Advisor

Welcome our new CED, Travis Murray

As many of you may know, our long time CED, Virginia Pulford, retired from the Farm Service Agency in March after more than 28 years of experience with the agency. The County Committee selected Travis Murray of the Mecosta (Big Rapids) FSA office as the new CED for Cadillac. Travis will be performing his duties here in Cadillac as a shared management position, working both in Cadillac, at least two days a week, and also in Big Rapids the remainder of the time. Please join us in welcoming Travis to the team.

DCP Sign-Up Deadline

Enrollment for the 2012 Direct and Counter-Cyclical Program (DCP) will continue through **June 1, 2012**. USDA urges producers to make use of the eDCP automated website to sign-up or visit any USDA Service Center to complete the 2012 DCP contract.

USDA 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 more information on this or other programs, contact the nearest FSA office.

SURE Sign-Up Deadline

Sign-up for the Supplemental Revenue Assistance Payment (SURE) program for the 2010 crop year began Nov. 14, 2011, and will end on **June 1, 2012**. SURE provides benefits for farm revenue losses due to natural disasters. A farm is eligible when either:

- A portion of the farm is located in a county, or a contiguous county, covered by a qualifying Secretarial disaster declaration. Paulding County received a 2010 Secretarial disaster declaration.

- An overall loss greater than 50 percent of the actual production on the farm compared to expected production for the farm for that year.

For producers to be eligible for SURE, they must have obtained a policy or plan of insurance for all crops through either the Federal Crop Insurance Act or FSA's Noninsured Crop Disaster Assistance Program (NAP). Producers must suffer a 10 percent production loss due to a natural disaster to at least one crop of economic significance on their farm in order to be eligible for SURE.

MILC PROGRAM

FSA's Milk Income Loss Contract Program (MILC) compensates dairy producers when domestic milk prices fall below a specified level. MILC payments are made when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted by the dairy feed ration adjustment. The monthly Boston price is posted online at:

http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_main_new.htm.

Eligible producers should submit the current MILC (Milk Income Loss Contract) statements for payment. Eligibility for 2012 must be completed before payments can be disbursed. Please contact the office to check the status of your eligibility. New producers are encouraged to apply for the program any time before Sept. 30, 2012.

Announced payment rates are as follows:

February - \$0.38950 per hundredweight

March - \$0.82624 per hundredweight

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 the Direct and Counter-Cyclical Program, 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) also must 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 30th for fall-seeded small grains and July 15th, 2012 for all other crops.

Prevented Planting:

Prevented planting needs to 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.

2012 FSA County Committee Elections

The election of agricultural producers to the Farm Service Agency (FSA) county committees is important to all farmers and ranchers, whether beginning or long-established, large or small operation. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture.

County Committee (COC) members are a critical component of FSA operations. The intent is to have the COC reflect the makeup of the producers and to represent all constituents. This means wherever possible, minorities, women or lower income producers need to be on the committee to speak for these underrepresented groups.

County committees provide local input on:

- Commodity price support loans and payments
- Conservation programs
- Incentive, indemnity and disaster payments for some commodities
- Emergency programs
- Payment eligibility

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

The Wexford/Benzie/Missaukee/Osceola Farm Service Agency has two County Committee positions open for election in 2012. The first area is LAA 3, which includes all of Wexford County. The current position is held by Eric Peterson. The second area for election is LAA 4 which includes Lake, Reeder, Richland and Riverside townships of Missaukee County along with Highland, Marion, Hartwick and Middle Branch townships in Osceola County. LAA 4 is currently held by Bruce Eisenga.

Election Period

June 15, 2012 - The nomination period begins.

Aug. 1, 2012 - Last day to file nomination forms (FSA-669A) at the local USDA Service Center.

Nov. 5, 2012 - Ballots mailed to eligible voters.

Dec. 3, 2012 - Last day to return voted ballots to the USDA Service Center.

Jan. 1, 2013 - Newly elected county committee members take office.

Who Can Hold Office

To hold office as a county committee member, a person must meet the basic eligibility criteria:

- Participate or cooperate in a program administered by FSA
- Be eligible to vote in a county committee election
- Reside in the local administrative area (LAA) in which the person is a candidate

Not have been:

- Removed or disqualified from the office of county committee member, alternate or employee
- Removed for cause from any public office or have been convicted of fraud, larceny, embezzlement or any other felony
- Dishonorably discharged from any branch of the armed services

Nominations

To become a nominee, eligible individuals must sign nomination form FSA-

669A. The form includes a statement that the nominee agrees to serve if elected. This form is available at USDA Service Centers and online at http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf Nomination forms for the 2012 election must be postmarked or received in the local USDA Service Center by close of business on Aug. 1, 2012. Agricultural producers who participate or cooperate in an FSA program may be nominated for candidacy for the county committee. Individuals may nominate themselves or others as a candidate. Additionally, organizations representing minority and women farmers or ranchers may nominate candidates. Nomination forms are filed for the county committee of the office that administers a producer's farm records.

Who Can Vote

Agricultural producers of legal voting age may be eligible to vote if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations of an entire farm also may be eligible to vote. More information about voting eligibility requirements can be found in the FSA fact sheet titled "FSA County Committee Election - Eligibility to Vote and Hold Office as a County Committee Member." Producers may contact their local USDA Service Center for more information.

COC Election Nominations

The election of agricultural producers to Farm Service Agency (FSA) county committees is important to ALL farmers and ranchers. It is crucial that every eligible producer participate in these elections because FSA county committees are a link between the agricultural community and the U.S. Department of Agriculture (USDA).

County committee members are a critical component of the operations of FSA. They help deliver FSA farm programs at the local level. Farmers and ranchers who serve on county committees help with the decisions necessary to administer the programs in their counties. They work to ensure FSA agricultural programs serve the needs of local producers.

FSA county committees operate within official regulations designed to carry out federal laws. County committee members apply their judgment and knowledge to make local decisions.

The COC nomination period runs from June 15, 2012 through August 1, 2012. For more information just contact your local FSA office.

ACRE Program

The Average Crop Revenue Election (ACRE) offers producers an alternative to Direct and Counter-Cyclical (DCP) payments. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the five-year state Olympic average yield and the two-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 agree to receive a 20 percent reduction in direct payments and a 30 percent reduction in loan rates.

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. For more details contact the local FSA office.

NAP Records

Production records for individual crops need to be filed at the FSA office to establish an approved NAP yield. If this is the first year you participated in NAP, you can provide production and acreage information from prior years to establish your yield. If you participated in NAP in previous years, you must report your production and acreage on a yearly basis to keep your yield up-to-date. Records submitted must be reliable or verifiable. Records need to show crop disposition. We recommend producers submit production records as soon as harvest is complete. **All production records must be submitted by the subsequent crop year's final acreage reporting date.**

NAP Loss Filing

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

Adjusted Gross Income

USDA and the Internal Revenue Service have established an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs. Written consent is required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to FSA.

This ensures that payments are not issued to producers whose AGI exceeds certain limits. The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments and; \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules must submit form CCC-931 to their local FSA County Office by June 15 to avoid interruption of program benefits. This form may be obtained from local FSA and NRCS offices.

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 cannot 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.

The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation. Remember, to be effective for the current year, recons must be requested by Aug. 1, 2012, for farms enrolled in specific programs.

CONSERVATION COMPLIANCE (HEL & WETLAND)

Producers intending to remove fence rows, convert woodlots to cropland, install new drainage, or improve or modify existing drainage, must notify the FSA and update Form AD-1026. FSA will notify NRCS and NRCS will make HEL and wetland technical determinations. Farmers with HEL determined soils are reminded of tillage, crop residue and rotation requirements per their conservation plan. Failure to obtain ADVANCE approval for any of these situations can result in the loss of eligibility and all federal payments.

Sodbuster Regulations

The term sodbusting is used to identify the plowing up of erosion-prone grasslands for use as cropland. Sodbuster violations are unauthorized tillage practices on highly erodible lands that converted native vegetation such as 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 Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an AD-1026, indicating the area to be brought into production.

If Natural Resources Conservation Service 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.

Farm Loan Programs

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

Ask a lender about an FSA loan guarantee to help with a setback or if a lender has been reluctant to extend or renew a 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 Oct. 1, 2011.

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

Banking Changes?

If you changed banks and did not notified FSA, your payment could be delayed. Payments are electronically transferred into your bank account, if we are not aware of changes to your account and routing numbers, there could be problems. In order to make timely payments, you need to notify the office if you close your account or if another financial institution purchases your bank. It is important that any changes in a producer's account such as type account, bank mergers, routing number or account numbers, be provided to the county office promptly to avoid possible payment delay.

Dates to Remember

May 28 - Memorial Day, Federal Offices Closed

June 1 - DCP Enrollment Ends

June 1 - Farm Record Changes Due

June 1 - SURE Sign-Up Ends

June 15 - COC Nominations Open

June 15 - AGI Form CCC 931 Due

Continues - Continuous Conservation Reserve program

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write to 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).
