Crawford FSA News

November 2009

Crawford County USDA Service Center

Crawford County FSA
3115 SR 98
Bucyrus, Ohio 44820
419-562-8936 (phone)
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www.fsa.usda.gov/oh

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

County Committee
Terry Corney, Chairman
Donovan Scott, V-Chair
Allen Schimpf, Member
Trudy Ruehle, Advisor

County Committee meets on the second Tuesday of the month at 8:30 AM.

Staff
Heather Hiler, PT
Gail Walters, PT
Kate Brause, PT
Crystal McCown, PT
Randy Hiler, FR
Ray Greenick, FR
Jim Greve, CED

2010 DCP Sign-up

Enrollment for the 2010 Direct and Counter-cyclical Program (DCP) has begun and will continue through June 1, 2010. USDA will not accept any late-filed applications. USDA urges producers to make use of the eDCP automated website to sign-up, or producers can visit any USDA Service Center to complete their 2010 DCP contract.

The electronic DCP (or eDCP) service saves producers time, reduces paperwork and speeds up contract processing at USDA Farm Service Agency (FSA) offices. It is available to all producers who are eligible to participate in the DCP Program and can be accessed at: www.fsa.usda.gov/dcp and then click on the "Access eDCP Services" link, under the "I Want to Section". To access the service, producers must have an active USDA eAuthentication Level 2 account, which requires filling out an online registration form at: http://www.eauth.egov.usda.gov and then click on the "Create an Account Page" link, and lastly followed by a visit to the local FSA Service Center for identity verification.

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 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. USDA will issue advance direct payments beginning Dec. 1, 2009. Counter-cyclical payment rates vary depending on market prices. Counter-cyclical payments are issued only when the effective price for a commodity is below its target price. The effective price is the higher of the national average market price received during the 12-month marketing year for each covered commodity and the national average loan rate for a marketing assistance loan for the covered commodity.

Unauthorized Disposition of Loaned Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe. Additionally, producer could be subject to criminal prosecution under federal law. Always call the office before any grain under loan is fed or sold.

The ACRE Option

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year average state yield and the most recent 2-year national price for each eligible commodity. For 2010, the 2-year price average will be based on the 2008 and 2009 crop years.

An ACRE payment is issued when both the state and the farm have incurred a revenue loss. The payment is based on 83.3 percent (85 percent in 2012) of the farm's planted acres times the difference between the State ACRE guarantee and the state revenue times the ratio of the farm's yield divided by the state expected yield. The total number of planted acres for which a producer may receive ACRE payments may not exceed the total base on the farm. In exchange for participating in ACRE, in addition to not receiving counter-cyclical payments, a farm's direct payment is reduced by 20 percent, and marketing assistance loan rates are reduced by 30 percent.

The decision to enroll in the ACRE Program is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

The June 1, 2010, deadline is mandatory for all participants. USDA will not accept any late-filed applications.

Selling Land

If you're planning to sell farmland, there may be some program consequences you should be aware of. For example, if you're planning to sell land that's enrolled in the Conservation Reserve Program, the buyer must agree to continue the enrollment. If the buyer doesn't want to continue the CRP contract, you might have to refund all of the payments you've received to date.

Reviewing program implications with your local Farm Service Agency staff before completing a sale of farmland is always a prudent precaution.

USDA ELAP Program Sign-Up Underway For Livestock, Honey Bees and Farm-Raised Fish Producers

Eligible commercial producers of livestock, honey bees and farm-raised fish that suffered death losses due to adverse weather on or after January 1, 2008 and before October 1, 2011, can now sign-up at the USDA Farm Service Agency's (FSA) for the Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP).

Eligible losses include feed losses, physical losses and additional costs incurred in providing feed to eligible livestock. "Producers who suffered losses due to weather will be required to provide documentation of the losses," said Jim Greve, County Executive Director. "Losses because of adverse weather occurring since January 1, 2008, such as flooding, high winds, blizzards, diseases, colony collapse, high winds, freeze, and lightning may be eligible for ELAP benefits."

For feed losses, documentation includes the types of feed purchased, cost of feed, date purchased and signatures of the vendors. Documentation for harvested feed would include evidence that supports the amount of feed claimed as harvested and lost. "Our local FSA staff can provide producers with a list of acceptable loss documentation that includes proof of loss, producer records and verifiable inventory documentation," said Greve.
To qualify for ELAP, producers need to be aware of the following dates:

- Producers that suffered farm-raised fish losses in the **2008 calendar year have until December 10, 2009** to file notice of loss and application for payment for ELAP at their local FSA Office.
- Producers suffering losses from **January 1, 2009 to September 13, 2009**, must file a notice of loss application **by December 10, 2009**. The final date to submit an application for payment for 2009 losses **is January 30, 2010**.
- For farm-raised fish losses that occur from **September 14, 2009 to December 31, 2009**, producers will have 30 days after the loss to file a notice of loss at FSA and will have until **January 30, 2010**, to apply for payment.
- For losses **after January 1, 2010**, producers will have 30 days after the loss occurred to file a notice of loss. Application for payment must be filed within 30 days of the end of the calendar year.

Adequate documentation must prove the loss occurred as a direct result of an eligible adverse weather event in the calendar year for which benefits are being requested. Producers must timely file an acreage report on grazing land acres, honey bee colonies and farm-raised fish pond acres and timely file applicable notices of loss. As a reminder, there are **no late file provisions**.

Producer eligibility for ELAP also requires that all crops in all counties have crop insurance coverage or Noninsured Disaster Assistance Program (NAP) coverage for the crop year in which benefits are requested. USDA's payment limitations provisions apply to producers enrolling in the disaster programs along with adjusted gross income limitations and conservation compliance.

Producers need to contact their local FSA county office for ELAP sign-up.

National FSA Office Extends CCC-528 Completion Timeline for Producers Placed On Registers

Recently, the National FSA office announced to producers in Ohio that did not have sufficient time to designate ACRE payment acres on a CCC-528 form because county offices placed producers on registers. For that reason, producers that have not completed the CCC-528 form will be given **until November 13, 2009** to complete the form.

This authority only extends to producers who have not completed the CCC-528 form. Any CCC-528 forms that were filed by September 30, 2009 remains valid and in full effect. For questions about the CCC-528 form, please contact your local FSA office.

Voting for County Committee Begins

Ballots for this year's county committee election were mailed to eligible voters on November 6, 2009. Voters must complete their ballots and return them to the Farm Service Agency county office by the close of business on December 7, 2009. If mailed, ballots must be postmarked by midnight December 7th.

The candidates in this year's election are:
Steve Miller is nominated in LAA 3, Crawford County, to serve as a committee member. Miller resides at 1347 Caldwell Rd, Bucyrus, Ohio 44820 and produces Corn, Soybeans and Wheat on his farm operation.
Eligible voters in a local administrative area #3 who have not received a ballot should contact the FSA county office staff.

Voter Requirements Persons meeting requirements in **1** *or* **2**, *plus* **3**, below, is eligible to vote:

1. Be of legal voting age and have an interest in a farm or ranch as either of the following: an owner, operator, tenant or sharecropper, *or* a partner in a general partnership or member of a joint venture that has an interest in a farm as an owner, operator, tenant or sharecropper; or
2. Not of legal voting age, but supervises and conducts the farming operations on an entire farm; *and*
3. Eligible to participate in any FSA program that is provided by law, regardless of the status of funding.

Discrimination Prohibited No person shall be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

Farm Loan Year End Reviews

Producers that have a farm loan with FSA are reminded they must provide data for their Year-End Analysis (YEA) to their loan officer each year. Borrowers are urged to provide this information timely so that their files can be maintained. The office will contact you for the data you will need to provide us.

Operating Loan Applications Needed Now

Farmers that plan to apply to the Farm Service Agency for annual operating loan assistance this year are encouraged to apply as soon as possible. The earlier an application for loan assistance is filed, the quicker the FSA staff can process your request. In addition, due to budget constraints, farmers that wait until later in the year to apply, often run the risk of finding out that our funding allocations have been utilized already. Farmers should also contact their local FSA office to setup an appointment with a Farm Loan Official for information as to what is required in order to have a complete loan application on file. Decisions on loans can not be made until a complete application is received.

Selected Interest Rates for November 2009	
90-Day Treasury Bill	0.125%
Farm Operating Loans — Direct	2.875%
Farm Ownership Loans — Direct	4.750%
Farm Ownership Loans - Down Payment	1.500%
Emergency Loans	3.750%
Farm Storage Facility Loan -- 7 year	3.000%
Farm Storage Facility Loan -- 10 year	3.375%
Farm Storage Facility Loan -- 12 year	3.625%
Sugar Storage Facility Loans	4.000%
Commodity Loans 1996-Present	1.375%

Farm Storage Facility Loan Program

With changes to the Farm Storage Facility Loan (FSFL) program, this will allow producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The maximum principal amount of a loan through FSFL is $500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount, not to exceed $250,000.

Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities in Ohio are eligible for FSFL:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain;
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain;
- Pulse crops - lentils, small chickpeas and dry peas;
- Hay;
- Renewable biomass; and
- Fruits (including nuts) and vegetables - cold storage facilities

For more information about the FSFL program, contact your local FSA office or visit the FSA Price Support website at: www.fsa.usda.gov.

September MILC Payments for Dairy Producers

Producers participating in USDA's Milk Income Loss Contract (MILC) program will receive payments for the month of September. USDA makes MILC payments on a monthly basis when the Boston Class I milk price falls below $16.94 per hundredweight as adjusted for feed costs.

USDA determines the per hundredweight payment rate for the applicable month by subtracting the Boston Class I price for that month from the $16.94 MILC payment trigger price, established in the 2008 Farm Bill, as adjusted for feed costs, and multiplying the difference by 45 percent. The monthly Boston Class I price along with final MILC payment rates are posted online at: http://www.fsa.usda.gov/FSA.

The MILC payment trigger price of $16.94 is adjusted upward when the National Average Dairy Feed Ration Cost for a month is greater than $7.35 per cwt. USDA's National Agricultural Statistics Service recently released the data for determining the Average Dairy Feed Ration Cost for the month of September on October 30, 2009. Using this information, the MILC payment trigger for the month of September has been adjusted to $16.94, for a final MILC payment rate of $1.24200.

For more information about the MILC program, please visit your local FSA office or go online to: http://www.fsa.usda.gov/FSA.

Online Services

Producers, if you have Internet access you can electronically log on, fill out and print a variety of FSA paper forms in the comfort of your home as your schedule allows. You can also register for secure electronic access that will allow you to electronically sign and transmit some forms directly to the county office staff. If you are new to the website, first you will want to obtain a Level 2 USDA Service Center Customer ID and password at: http://www.eauth.egov.usda.gov/ and then click on "Create an Account Page" link.

USDA eAuthentication is the system used by USDA agencies to enable customers to obtain accounts that will allow them to access USDA Web applications and services via the Internet. This includes things such as submitting forms electronically, completing surveys online, and checking the status of your USDA accounts.

If you already have a Customer ID and password, then click on the following eForms website at: http://forms.sc.egov.usda.gov/eforms/mainservlet and then click on the "Sign In" button. A disclaimer window will open and after you read the "Warning message" click on the "Continue" button.

Then the USDA Web services page will open to the eAuthentication login page. Enter your login User ID and password and then click on the "Login" button. To sign and transmit forms electronically, you must sign-up and get a User ID and password.

Submitting an e-Form is convenient. You can access information anytime day or night seven days a week. It's faster and forms and applications can be submitted and received in the county office in a matter of minutes, not days or weeks.

Dates to Remember	
Nov. 11	Veterans Day Holiday. **FSA Offices Closed.**
Nov. 20	**Last day to apply** for coverage for asparagus, blueberries, caneberries, cherries, chestnuts, forage for hay and pasture, grapes, nectarines, peaches, pears, plums, strawberries, honey and maple syrup.
Nov. 26	Thanksgiving Day Holiday. **FSA Offices Closed.**
Dec. 7	**Last day** to return voted Ballots in county committee election.
Dec. 10	**Last Day** to file 2008 notice of loss and application for payment for at their local FSA office for the Livestock, Honey Bees, and Farm-Raised Fish Program (ELAP).
Dec. 25	Christmas Day Holiday. **FSA Offices Closed.**
Jan. 1	New Year's Day Holiday. **FSA Offices Closed.**
Jan. 1	Elected Committee Members and alternates take office.
Continues	Continuous Conservation Reserve program.
Continues	Farm Storage Facility Loan Program.
Continues	Grassland Reserve Program (GRP).

For more information go to: www.fsa.usda.gov.

Changing Banks

Almost all Farm Service Agency payments are made electronically using Direct Deposit. This has cut down on the number of missing and late payments and reduced the time required to move funds. It has been calculated that having a problem with a payment is 20 times greater with checks than with Direct Deposit. Another benefit is that Direct Deposit to your account can be made within 48 hours.

To keep the system running smoothly, it's critical to keep the county office staff up to date on changes you might make in your financial institutions.

If you have changed accounts or institutions that might affect the direct deposit of your FSA payments, contact your local FSA county office so we can update our files to insure continued uninterrupted service.

Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

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. Remember, to be effective for the current year, recons must be **requested by Aug. 1** for farms enrolled in the Direct and Counter-cyclical Program.

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 DCP direct payments have already been issued on a particular farm, the reconstitution will be effective for the next year, unless the payments are refunded.

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To file a complaint of discrimination, write 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."