



Farmer's Digest

Arenac/Iosco County
USDA Service Centers

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

Arenac County Committee
Earl Steinbauer
Carl Daniels
Ed Stange

Arenac Advisor
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Hours
Monday-Friday
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Iosco County Committee
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2008 Direct and Counter Cyclical Program

Sign up for the 2008 DCP began and will run through September 30, 2008. The 2008 Farm Bill provides a continuation of the DCP program for 2008. The base acres that were in effect in 2007 will be in effect for 2008 and payments will be computed on 85% of the base acres.

The Direct payment rates are:

Corn - \$.28/bu.

Soybeans - \$.44/bu

Wheat - \$.52/bu

One change is that the new Farm Bill prohibits direct payments to farms if the base acres are 10 acres or less, unless the farm is wholly owned by a socially disadvantaged farmer or limited resource farmer.

All contracts must be signed by September 30, 2008. Please call to make an appointment.

Prior to sign-up:

Report any farm changes - report any farming operation changes so that we can keep your record current. This includes changes in land-ownership or operators.

- If the land in your operation hasn't changed, do you have a signed lease from the landowner?
- A signed rental agreement or the landowner's signature on the DCP Contract is required.
- All farmers who produce a crop on the base acres are entitled to share in the DCP payment. Landowners who do not have an interest in the crop are not eligible to receive a DCP payment.
- Plan to update your payment limitation documents and other program eligibility records if you haven't.

- Reconstitutions – changes that require farm reconstitutions should be reported as soon as possible so we can update your records. Farm divisions should be considered when you do not have a firm lease. We cannot enroll a farm with changes pending, so please let us know of your changes well before your appointment to sign up. Any reconstitutions filed after August 1, 2008, will be completed for the 2009 crop year.

Payment Limitation and Eligibility

For 2008 programs, all current rules and procedures are applicable

- In 2009 average Adjusted Gross Income, AGI limits have changed. Restrictions are as follows:
- Non Farm AGI greater than \$500,000 – no eligibility for price support or DCP
- Farm AGI greater than \$750,000 – no eligibility for direct payments for DCP
- If AGI is greater than \$1 million - no eligibility for conservation programs unless 66.66% if derived from farming, ranching, or forestry operations
- Non Farm AGI greater than \$1 million- no eligibility for conservation program benefits
- Payment Limitation Controls will be established in 2009 which will credit individuals and entities with both the amount of payments they receive directly and also the amount they are considered to have received indirectly by holding an interest in an entity receiving payment.





Supplemental Disaster Assistance Program

PLEASE TAKE NOTE!!! The 2008 Farm Bill appropriated funds for the following Supplemental Disaster Programs:

SURE – Supplemental Revenue Assistance Payments
Livestock Forage Disaster Program (LFP)
Tree Assistance Program (TAP)
Emergency Assistance for Livestock, Honey Bees, and Farm Raised Fish (ELAP)
Livestock Indemnity Program (LIP)

For producers to be eligible they must purchase at least the CAT level of crop insurance for all insurable crops and/or NAP coverage for non-insurable crops on **all crops in all counties**. Sales closing dates have passed for 2008. However, farmers may obtain a waiver for 2008 only; by paying an administrative fee of \$100 per crop not to exceed \$300 for the county or \$900 total for all counties. This buy in fee is non-refundable and must be paid no later than **September 16, 2008**.

Example: Farmer plants wheat, corn, soybeans, and hay. He has insurance on the corn, soybeans, and wheat but not on the hay. If he has a loss on one of the insured crops in 2008 he must pay the waiver fee of \$100.00 to the county office on hay in order to receive a supplemental disaster payment

Contact either office for more details. Please note all crops in all counties must be waived or covered to qualify for 2008 assistance.

Farm Storage Facility Loan (FSFL)

With the volatility of commodity prices having the ability to store your grain, instead of selling directly out of the field, offers you many more options in marketing your crops. Loans to erect new storage facilities are available at the attractive interest rate. These loans require a 15 percent down payment and are for a term of seven years.



Tiling or Clearing Land

Don't forget the Highly Erodible Land and Wetland Provisions. Bringing new land into production by **clearing trees, improving drainage by tiling or dredging are potential violations of the HEL/WC rules**. Before you begin any land conversion project, please come into the county office to file form AD-1026.

Natural Resources Conservation Service will make an evaluation of your land to determine how to manage the wet areas of your land most efficiently. Checking ahead of time will help keep you eligible for USDA benefits.

Non Insured Disaster Assistance Program (NAP)

NAP policy holders are reminded that they must submit form FSA-576 "Notice of Loss" within 15 days of when the loss becomes apparent. If you have noticed that your crop might be light due to the frosts or hail that we had this spring, contact the office so that we have the opportunity to take a look at your crop. For those of you that have filed a notice of loss, you need to keep us informed of your harvest decisions. If you are not going to harvest all or part of the acreage, an appraisal will need to be completed on the un-harvested acreage. This appraisal will be used in calculating your loss claim.

Remember we need to know the amount of crop sold from previous years in order to establish your actual production history (APH). Your APH is used to calculate your loss payment. This production evidence must have been supplied to the COF by July 15th.

New 2009 NAP rates will increase to \$250.00 per crop, \$750.00 per county, and \$1,875.00 per producer for all counties.

Late application provisions are in place to help accommodate NAP sales closing deadline dates for 2009 crops with 2008 sales closing dates. Please contact this office for additional information.

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.



Average Crop Revenue Election (ACRE) Program

The 2008 Farm Bill authorizes ACRE program payments. Beginning with the 2009 crop year, producers will have the option to participate in a state-level revenue protection program instead of the counter-cyclical program.

In crop years 2009 through 2012, producers who make an irrevocable election to receive ACRE Program payments will:

1. Not receive counter-cyclical payments on enrolled farms.
2. Be subject to a 20 percent reduction in direct payments for all covered commodities on enrolled farms.
3. Be subject to a 30 percent reduction in marketing assistance loan rates for all covered commodities on enrolled farms.

If actual state per acre revenue is less than the guarantee and if a producer suffers an actual revenue loss for the crop on the farm, then the producer will receive an ACRE payment equal to the difference between the state per-acre revenue guarantee and the state actual revenue calculation paid on 83.3 percent (85 percent for 2012) of the acres planted to the cover commodity on the farm.

Buy-In Waiver

Producers can establish 2008 eligibility for the new disaster assistance programs by paying a fee as required by the Food, Conservation and Energy Act of 2008 (the 2008 Farm Bill).

Ordinarily producers who wish to participate in the new disaster programs would need crop insurance or non-insured crop disaster assistance (NAP) coverage on all farms in all counties in which they have an interest. Since the 2008 Farm Bill was enacted after the application periods had closed for those programs, producers who did not have insurance coverage could not comply with this requirement in order to be eligible. However, the Farm Bill authorizes a waiver that allows producers to pay a fee, called a "buy-in" fee, to be eligible for the new disaster assistance programs.

The buy-in fee is due no later than Sept. 16, 2008, 90 days after the date of enactment, as required by the 2008 Act. Payment of the applicable fees will allow the producer to be eligible for financial assistance under the Supplemental Revenue Assistance Program (SURE), Livestock Forage Disaster Program (LFP), and other disaster assistance programs. Those who miss this opportunity will **not** be eligible for 2008 disaster assistance. Producers are also reminded that the payment of the applicable buy-in fee does **not** provide the producer crop insurance or NAP coverage; it only affords eligibility for the disaster programs.

Farm Loan Programs

The Farm Service Agency (FSA) offers loans for farmers and ranchers 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 \$949,000. 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.

For detailed information, just contact the county office staff for an appointment with a farm loan officer.

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.





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 this office by phone or in person.

Crop Disaster Program 2005-2007

CDP has been expanded to provide benefits for losses suffered in 2005, 2006, or 2007. Producers must choose only one year to receive benefits. Only producers who purchased crop insurance or Non Insured Assistance Program coverage for the year of loss will be eligible for CDP benefits. Losses must have exceeded 35%. The payment rate is set at 42% of the normal price. Producers who have already received benefits for 2005 or 2006 can file an application for 2007 losses. If losses were greater in 2007, additional benefits will be paid.

The CDP now provides benefits to farmers who suffered *quality* losses (as well as quantity losses) from natural disaster and related conditions to 2005, 2006 or 2007 crops. Contact the office for further details.

Note: Only crops covered by an insurance or NAP policy are eligible

September 1	Office Closed – Labor Day
September 16	Final date to purchase buy-in for FCIC or NAP crops
September 30	Must have 1 authorized signature on a 2008 DCP Contract
October 13	Office Closed – Columbus Day
October 15	Final date to submit landowner signatures or leases for DCP Program
Continues	Continuous Conservation Reserve Program /Conservation Reserve Enhancement Program
Continues	Farm Storage/Facility Loan



The U.S. Department of Agriculture (USDA) prohibits discrimination in all of 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.