



IONIA County Newsletter

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

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Websites
www.fsa.usda.gov
www.fsa.usda.gov/mi
www.usda.gov

Websites for kids
www.fsa.usda.gov/fsakids
www.fs4jk.org

Report of Payments to Producers

1099-G

All summary of all earned payments and or refunds during the previous calendar year, will be mailed to producers during the last week of January. Form CCC-1099-G will be mailed from Kansas City.



2008 FARM BILL EDUCATIONAL SESSIONS Presented by MSU Extension

The 2008 Farm Bill has 15 titles and significant impact to producers. Like the 2002 Farm Bill, commodity crop producers have a choice to make whether to participate in the new ACRE program and give up any counter cyclical payments or to stay with the old DCP program.

There are new programs that will benefit fruit and vegetable farms including the new SURE program which is Supplemental Revenue Assistance Payments. SURE is targeted to all farm types and provides financial revenue in the triggering event of county declared disasters or if a farm operation has a yield loss greater than 50%. Payments for SURE can be as high as 90% of "expected revenue" depending on crop insurance coverage levels and other factors.

A series of informational meetings will take place in southwestern Michigan, beginning in November and running thru January to help answer questions and explain the farm bill and the new ACRE and SURE programs. The meetings will be offered to the public at no charge, and will take place from 6:30-9:00 pm. Resource people include the local Farm Service Agency County Executive Director and staff along with MSU Extension Educators including Roger Betz, Michigan State University District Extension Farm Management Educator. No registration is required; however, seating may be limited due to the anticipated number of producers interested in learning more about the bill.

Dec. 10: Ingham County
Ingham County Fairgrounds, Community Room, 700 E. Ash St., Mason

Dec. 18: Ionia County
MSU Extension Office, Conference Room, 50 Sprague Rd., Ionia (new office location - M-66 @ old State Police post across from Wal-Mart)

From the CED's Desk

With the passage of the 2008 Farm Bill come many changes to the programs administered by FSA. Two major changes that will affect Ionia County are Supplemental Disaster Assistance Program (SURE) and Average Crop Revenue Election (ACRE).

I attended the Farm Bill Session hosted by MSU in Kent County and found it to be very informative. Basic information was presented, along with examples, on how the new programs will affect and be affected by farm revenue. I strongly suggest that you attend one of the sessions.

I have included articles in this newsletter on ACRE and SURE. There are also many informative articles and scenario calculators that can be found on-line.

The Milk Income Loss Contract Program (MILC) has also been updated. A sign-up is expected in December. Once the dates of the sign-up are announced, we will send letters to all dairy producers who participated in the previous program. If you are a new dairy producer and would like to be notified, please call the office.

Additional changes in the Farm Bill have dictated the need for all new Eligibility paperwork. Be prepared to fill out new forms when you sign up for any program.

We encourage you to make appointments so we can have the paperwork and files ready for you. We realize how important your time is and this will reduce the amount of time that you will have to spend in the office.

We appreciate your patience as we roll out these programs. Most procedure has not been published yet and we will receive additional training in the months ahead.

We wish you all a safe happy holiday surrounded by those you love. We look forward to serving you in the new year!

Linda Kline

Supplemental Disaster Assistance Programs

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

- Supplemental Revenue Assistance (SURE)
- 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 in all states.**

Now is the time to ensure eligibility for 2009. The first thing to do is to visit your insurance agent and get insurance for all of your "Insurable" crops. After that, contact FSA to purchase coverage on your "Non-insurable" crops with a "NAP" policy. The Deadline to purchase 2009 NAP coverage on Fall seeded or Perennial crops was Dec. 1, 2008. The deadline to purchase crop insurance or NAP insurance for Spring seeded crops is March 15, 2009.

Please note **ALL** crops in **ALL** counties must be covered to qualify for 2009 assistance. However, the requirement can be waived for crops that contribute less than 10% of the total expected value of all crops grown by the producer. The crops under a waiver would not be covered by **SURE**.

SURE becomes available to a producer when at least one of the following happens:

- A County is declared a Secretarial Disaster County (this includes contiguous counties)
- Producer experiences a 50% production loss

SURE is a revenue based disaster assistance program. It takes into consideration the type of crop insurance coverage that you have and pays accordingly. The better your crop insurance, the higher the possible payment through SURE.

USDA has developed a calculator so you can perform possible scenarios for your operation based on the type of insurance coverage you have purchased and your expected revenue. The SURE Calculator is located in the Tools section at:

<http://www.fsa.usda.gov/FSA/fbapp?area=home&subject=landing&topic=landing>

ACRE Program - NEW Average Crop Revenue Election

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. This program is set up per Farm Number, the same as DCP. Only farms with previously established bases are eligible. ACRE election is optional and can start with the 2009 Crop Year, but once the election is made the farmland will stay in the program. Producers who make an election to participate in ACRE will:

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

Acre payments are made only if two triggers are met. First, state per acre revenue must be less than the state guarantee. Second, a producer must have an actual revenue loss for the crop on the farm. If the triggers are met, the producer will receive an ACRE payment.

The payment is equal to the **difference** between the state per-acre revenue guarantee and the state actual revenue calculation, **times** 83.3 percent (85 percent for 2012) the lower of the acres planted to the covered commodity on the farm or total base acres of the farm; **times** the 5 year Farm Olympic Average **divided** by the 5 year State Olympic Average.

One way to determine some of the possible effects of this new program is to search on-line for an ACRE calculator. A search using the words "ACRE Calculator 2008" will yield many results. Remember, procedure has not yet been written and there may be changes to the program. The calculators are just tools to help understand the basic impacts of the program.

10 BASE ACRES OR LESS

Farms with 10 base acres or less may now be combined with another farm through a reconstitution if all other requirements are met.

Land under separate ownership may be combined if all of the following apply:

- the resulting farm meets the definition of a farm
- all owners agree in writing
- the land is under a lease agreement of at least 1 year duration.

2009 Payment Limitation and Eligibility

For 2009 average Adjusted Gross Income, (AGI) limits have changed.

Restrictions are as follows for all programs except conservation:

- If Non Farm AGI is greater than \$500,000
 - no eligibility for price support or DCP
- If Farm AGI is greater than \$750,000
 - no eligibility for direct payments for DCP

For Conservation Programs:

- If AGI is greater than \$1 million
 - no eligibility for conservation programs unless 66.66% is derived from farming, ranching, or forestry operations

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. The term used for this is Direct Attribution.

Each Producer will have to fill out new eligibility paperwork in order to receive payments in 2009. Forms are currently being developed.



Landowner Designation

The designation by landowner method is the division of bases in the manner agreed to by the parent farm owner and purchaser or transferee. An FSA-155 will be used

The designation by landowner method may be used when any of the following apply:

- part of a farm is sold or ownership is transferred
- an entire farm is sold to 2 or more persons
- farm ownership is transferred to 2 or more persons
- part of a tract is sold or ownership is transferred
- a tract is sold to 2 or more persons
- tract ownership is transferred to 2 or more persons.

FSA-155 shall be signed by all of the following:

- sellers
- buyers (transferees).

Farm Loans Available

FSA offers farm loans for operations that are unable to obtain commercial financing. The loans available include farm ownership loans, operating loans and youth loans. All loans have a fixed interest rate.

Farm ownership loans are available to purchase (not refinance) land. The maximum loan amount is \$300,000 with terms up to 40 years.

A down payment loan is available for land purchase. 5% must be provided as a down payment, FSA will finance 45%, and another lender or land contract holder will provide the remaining 50% financing. The other financing must be a 30 year term. FSA's financing will be 20 years with a fixed interest rate of the greater of 1.5% or 4% less than current direct farm ownership rate.

Operating loans can be either annual operating or term operating loans. Some examples of uses for annual operating loans include, crop inputs and feed. These have a maximum term of 18 months. Term operating loans can be used for purchasing machinery, equipment and livestock with a maximum term of 7 years. A total of \$300,000 is available for operating loans.

Youth loans are available to youth between the ages of 10 and 20. These loans are available to FFA, 4-H or other such organized agricultural participants. These loans can be used to purchase livestock, equipment, supplies, tools or operating expenses for the project. The loan cannot exceed \$5,000. Repayment of the loan is individually tailored to the specific project.

For more information please contact Sara Possehn at the Ionia Farm Service Agency, (616) 527-2000

County Committee Advisor

We are currently seeking nominations for a minority advisor to the County Committee. The duties of this position include meeting with the Committee members, offering suggestions, and advising on issues that come before them. This is a one year term.

Anyone interested in the position should submit a short narrative about themselves to the FSA office by January 5, 2009. The term will become effective March 1, 2009.

You may nominate yourself or another producer.

Dates to Remember	
December	DCP Sign-up begins when procedure is published
March 15	Last day to purchase NAP on many annual crops
March 15	Last day to purchase crop insurance on many crops
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program & SAFE

CASH LEASES OR CASH RENTAL AGREEMENTS

Many Cash Leases expired in 2007. Last summer since the 2008 DCP sign-up was so late; many producers signed a CCC-510 Cash Rent Certification Form instead of obtaining a new Cash Lease.

For 2009, if you wish to receive advance payments for DCP before July 1, 2009, you must provide the office with current Cash Lease signed and dated by the Landowner. Those who use the CCC-510 for 2009 will NOT be eligible for advance payments until after July 1.

A Cash Lease should contain at least the following information:

- The Operator's Name
- Terms of the lease (for example cash)
- The number of acres Leased,
- The date the lease starts and ends,
- The signature of the owner, and the date of the signature

The current Farm Bill is in effect through 2012.



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 Office in person or by phone.

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, 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, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.