



December 2008

Jackson FSA News Brief

Jackson County
USDA Service Center

Jackson County FSA
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www.fsa.usda.gov/mi

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

Website
www.fsa.usda.gov

County Committee
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Richard Zenz
Doug Teller

Committee Advisor
Jennie Crittendon

County Executive Director
Tamela Smith

Farm Loan Manager
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Office Staff
Rhonda Sauber-PT
Judy Horton-PT
Sue Gray-PT
Carolyn Crenshaw-PT
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Field Staff
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2008 FARM BILL EDUCATIONAL SESSION

Hosted by:



Thursday, January 15th
Time and location to be announced.

This Farm Bill takes us through fiscal year 2012. There are some big changes in payment eligibility rules, forms, options for producers with crop acreage bases. Some options are very complicated. Please attend several meetings to be well informed. More meetings will be planned.

CONGRATULATIONS!

Judy Horton is retiring at the end of the year with 25 years of dedicated service to the farmers and ranchers of Jackson County.



A reception will be held in Judy's honor at the Jackson County office on Friday, December 12, 2008 from 2:00 -4:00 p.m. Judy has knitted over 200 hats, scarves, and mittens to the inner-city public schools. She has enjoyed knitting and sewing for years and plans to continue in her retirement. Stop by have cake, coffee and join the group in wishing Judy the best.

The County Committee and fellow employees would like to take this time to express their gratitude of service and to wish Judy the Very Best in her future endeavors.

New!!! Average Crop Revenue Election (ACRE)

Producers with crop acreage bases have an option to choose ACRE instead of DCP. DCP counter-cyclical payments are driven by national average prices. ACRE provides "counter-cyclical" protection on crops a producer plants, not on the farm's historical plantings (bases). ACRE is a safety net that protects against crop revenue shortfall resulting from price and/or production declines at state and farm level. Once chosen, it is irrevocable through the 2012 crop year. If ACRE is not chosen, then the farm is considered enrolled in DCP. Choosing ACRE will mean:

- 20 percent reduction in direct payments
- 30 percent reduction in marketing assistance loan rates:
- Payments are revenue-based, not price based
- Based on State parameters, not National parameters Payments triggered when **both apply:**
 - Actual **State** revenue for the crop year for the covered commodity is less than ACRE program guarantee for the crop year for the covered commodity
 - Actual **Farm** revenue for the crop year for the covered commodity is less than the **Farm** ACRE benchmark revenue for the crop year for the covered commodity

Producers in the ACRE program must:

- Comply with applicable conservation and wetland protection requirements
- Comply with the planting flexibility requirements
- Submit annual acreage report for all cropland on the farm
- Submit annual production reports for a farm participating in ACRE





Appointments Recommended

We recommend you call to make an appointment before coming to the office to conduct business. This will enable us to prepare any necessary paperwork and research issues before your appointment. We realize how important your time is, and this will reduce the amount of time that you have to wait in the office.



Farm Combination Policy Change

The 10.0 acres or less base acreage reconstitution policy no longer applies and reconstitutions may be approved if all other procedural requirements are met.

Land under separate ownerships may be combined if:

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

Supplemental Disaster Assistance Programs for 2008

ALL PLEASE TAKE NOTE!!! The 2008 Farm Bill appropriated for 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**.

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

Thinking of 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. **CONSERVATION COMPLIANCE**-Highly erodible land (HEL) compliance is still required to earn program benefits. This includes payments under the Direct & Counter-Cyclical Program, Conservation Reserve Program, Loan deficiency payments, farm loan program, crop insurance and many other USDA programs. Farms with HEL soils need to be aware of tillage, crop residue, and rotation requirements spelled out in conservation plans. Contact NRCS at 789-7716, ext. 3.

Non-insured Crop Disaster Assistance Program (NAP)

Policy holders are reminded that they must report crop losses within 15 days of the date disaster occurs or the date crop damage becomes apparent by filing a "Notice of Loss" (FSA 576) with FSA office. Crops adversely affected due to weather extremes need to be documented with an in-field inspection and a report of harvest decision. Any portion of the crop plantings not taken to harvest requires an appraisal prior to destruction or abandonment. All NAP policy holders are required to file crop acreage report for all covered crops.

Producers must meet all program requirements in order to take advantage of NAP assistance in the event of a disaster. Specifically policy holders also must request payments by application closing date for the covered crop following the year in which the loss occurred, accurately report the acreage and shares for all crops potentially eligible for NAP certify crop production history, and report current crop year production before required deadline.

Remember, crop yields from previous years need to be submitted in order to establish actual production history (APH).

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



2008 WOOL/MOHAIR/UNSHORN PELTS

The final loan availability date to request a marketing assistance loan or LDP for wool, mohair and unshorn pelts is January 31, 2009, of the year following the year in which the commodity is sheared or the unshorn lamb is slaughtered.

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.



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.

New Conservation Reserve Program (CRP) Practice

The new practice is called *Diverse Grassland Planting* (CP38E). The practice is available in just 18 counties in Michigan. Eligible Jackson County landowners can sign up for this practice at any time, it does not require a specific signup period.

Diverse grasslands and oak savannas have been declining drastically in Michigan over the past 150 years. In fact, native grasslands such as savannas are now considered one of the most threatened plant communities in Michigan. Grasslands are important to a wide variety of wildlife species, including both game and non-game species. With the support of CRP, financial assistance is now available to landowners who wish to improve the wildlife diversity of their property by restoring these unique habitats. Diverse grasslands of short grass prairies and tall grass prairies provide a variety of wildlife habitat for birds, mammals and insects. Grasslands are important to a variety of wildlife species by providing food and cover such as winter/thermal cover, nesting habitat and protective cover for rearing of that year's young.

Eligibility- Landowners and/or producers who have cropland that is either coming out of an existing CRP contract, or ground planted to cash crops 4 out of 6 years from 1996 to 2001, are eligible (*note: the cropping history will be changed to 4 of 6 years between 2002 and 2007 as of October 1, 2008*). Also, applicants must prove ownership for at least 12 months prior to the application.



Payments available:

- Up to 100% cost share for preparation and establishment of the diverse grasslands.
- A one-time signing bonus of \$100 - \$150 per acre.
- Annual rental payments for enrolled acres (based on 3 predominant soil types)

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.

Seeking Nominations for County Committee Advisor

Jackson County is 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. Anyone interested in the position should submit a short narrative about themselves to their respective FSA office by December 31, 2008. The one year term will become effective March 1, 2009. You may nominate yourself or another person.



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 Tamela Smith at (517) 789-7716, ext. 201 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

Dates to Remember	
Dec. 2008	Begin 2009 DCP Sign-up/ACRE Program
Dec. 25	Office Closed for the Christmas Holiday
Jan. 1	Office Closed for New Years Day
Jan. 19	Office Closed – Martin Luther King’s birthday
Jan. 31	Final date to request wool/mohair loan or LDP
Continues	Farm Storage Facility Loans
Continues	Continuous Conservation Reserve Program
March 31	Final date to request Wheat loan or LDP

PLEASE CONTACT THE OFFICE IF YOU ARE UNSURE OF YOUR PARTICIPATION STATUS IN ANY PROGRAM!
Phone: 789-7716, ext. 2

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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.