



November 17, 2008

Issue #1



LENAWEE County News

Lenawee County
USDA Service Center

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Hours:
Monday - Friday
7:00 a.m. - 4:30 p.m.

County Committee:
Jeffrey Ehlert
Alan Gould
Michael Feight

COC Advisor:
Bonnie Hunt

Staff:
Constance Reid Guffey
County Executive Director

Phone Extension 114

Farm Program Section:

Jim Bills	104
Connie Rathbun	108
Debra Shiels	105
Ann Squires	100
Barbara Wagner	107
Beth Wagner	106

Farm Loan Section:

Michael Jordon
Farm Loan Manager
Phone Extension 110

Rebecca Deline	111
Judy Kellie	113
Susan Lerch	112
Katy Gust	103



FARM BILL INFORMATION MEETINGS

Please attend one of the three meetings below for basic information on important changes and options available.

Tuesday, December 2nd 9-11 am
Spartan Room
Human Services Building
1040 S Winter Street, Adrian

Wednesday, December 3rd 6-8 pm
River Raisin Room
Human Services Building
1040 S Winter Street, Adrian

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.

County Committee Election:

County Committees are an important link between the farm community and the U.S. Department of Agriculture. The following townships will hold an election this year: Rollin, Hudson, Dover, Madison, Medina, Seneca and Fairfield. This area is currently represented by Alan Gould. We encourage all producers to vote, especially women and minorities who may not have participated in the past. If you own or operate agricultural land in the area above and have not received a ballot, please call us. Ballots must be returned by December 1. New member and alternate will take office on 01/01/09.

DEADLINES:

Please take the time to post deadlines on your calendar and to plan ahead with a way to remind yourself weeks before the deadline. There are many deadlines in the programs and options available to you in the new Farm Bill. These statutory deadlines must be met. We do not have the staff to call with a reminder and we don't want anyone to be ineligible for a program benefit because of missing a deadline. Unfortunately, we have some producers ineligible for 2008 DCP because they did not sign a contract by 9/30/08. Producers are responsible for meeting deadlines on all of the farms they operate.

2008 DCP Changes for Farms with Bases of 10 Acres or Less:

Farms that have total base acres of 10 or less may now enroll. This change is for 2008 fiscal year only and the deadline to sign a contract is November 26, 2008.



Highlights of the Food, Conservation and Energy Act of 2008

1. New!!! Payment Eligibility and Limitation Rules

For 2009 payment eligibility, adjusted gross income (AGI) rules apply to both individuals and to entities. Payments are limited by direct attribution (Crediting individuals and entities with both the amount of payments they receive directly or indirectly by holding an interest in an entity receiving payment). **New payment eligibility forms will be required.**

For commodity and price support programs, if the individual or entity has:

- nonfarm average AGI greater than \$500,000, the individual or entity is not eligible for DCP or price support benefits.
- farm AGI greater than \$750,000, the individual or entity is not eligible for direct payments under DCP.

For conservation programs, if the individual or entity has:

- total AGI greater than \$1 million, the individual or entity is not eligible unless 66.66 percent is derived from farming, ranching, and forestry operations.
- nonfarm AGI greater than \$1million, the individual or entity is not eligible for conservation program benefits.

The definition of average AGI, derived from farming, ranching, and forestry operations, is been expanded to include income and benefits from: the production of all types of livestock and products produced or derived from livestock; the production of farm-based renewable energy; the processing, packing, storing, shedding, and transporting of farm, ranch, and forestry commodities, including renewable energy; or any activity related to farming, ranching, or forestry, as determined by the Secretary.

2. New!!! 5 Specific Disaster Programs

Supplemental Revenue Assistance Payments (SURE) Program

Livestock Forage Disaster Program (LFP)

Tree Assistance Program (TAP)

Emergency Assistance Livestock, Honeybees and Farm-Raised Fish Program (ELAP).

Livestock Indemnity Program (LIP)

To be eligible for all but LIP, the 2008 Act requires producers to have crop insurance or non-insured crop disaster (NAP) coverage on all crops, on all farms in the nation. An exception is a crop which is not expected to contribute at least 10% of the farm's income (Nationwide). For Lenawee County, crop insurance may be purchased by private agents on the following crops: Wheat, corn, seed corn, soybeans, oats, sugar beets, dry beans, apples, potatoes and processing tomatoes. See us about covering any other crop. NAP fall sales closing dates have been extended (this year only) until 12/1/08. Coverage attaches 30days after purchase. Most other crops have a closing date of March 15th. Call for specifics on NAP and we will mail the information to you. **SURE** Program payments equate to 60 percent of the difference between the disaster assistance guarantee and total farm revenue.

- NAP fees: \$250 per crop \$750 per county \$1,875 per producer for all counties

3. New!!! Direct and Counter/Cyclical Payment Program Changes

- 2009-20012 If the sum of the base acres is 10 acres or less
 - No Direct Payments
 - No Counter-Cyclical Payments
 - No Average Crop Revenue Election (ACRE) Payments

- **Exception** – If farm is wholly owned by a socially disadvantaged or limited resource farmer or rancher

The Direct payment rates:

Barley	.24
Corn	.28
Oats	.024
Soybeans	.44
Wheat	.52

The percentage of Base Acres Used to Calculate Direct Payments is 83.3% for 2009-2011 and 85% for 2012.

The percentage of Base Acres Used to Calculate Counter-Cyclical (CC) Payments is 85% through 2012

Advance Direct payments are available for 2009-2011. The calculation is: Base times 83.3%, times yield, times payment rate, times 22%. For fiscal year 2012, there is no advance Direct payment authorized. For fiscal years 2011 and 2012, there are no advance CC payments authorized. DCP signup is expected to start in December. Requirements on leases have not changed.

4. 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

Milk Income Loss Contract (MILC):

Attention milk producers! The program is expected to be announced soon. MILC payments are issued monthly to eligible producers when the Boston Class I milk price falls below the baseline of \$16.94 per cwt. Watch for announcements on the details of signing up for this program.

RURAL YOUTH LOANS AVAILABLE

FSA makes operating loans of up to \$5,000 to eligible individual rural youth, age 10 through 20, to finance income-producing, agriculture-related projects. The project must be of modest size, educational, and initiated, developed and carried out by rural youths participating in 4-H clubs, FFA or a similar organization. The project must be an organized and supervised program of work. It must be planned and operated with the assistance of the organization advisor, produce sufficient income to repay the loan, and provide the youth with practical business and educational experience in agriculture-related skills. Call the Farm Credit Section for details.

IMPORTANT DATES TO REMEMBER

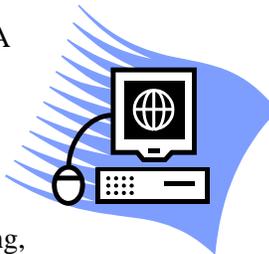
- 12/1/08** Deadline to Purchase NAP Coverage for Alfalfa, Mixed Forage, Rye, Barley etc. to be eligible for SURE
- 12/2&3** Farm Bill Meetings
- TBA soon:** DCP and MILC signups
- Ongoing** CRP Continuous Signup
- Ongoing** SAFE Program Enrollment
- Ongoing** Farm Storage Facility Loans



**HAVE
A
WONDERFUL
THANKSGIVING**

**CONDUCTING BUSINESS
ELECTRONICALLY WITH USDA**

eGOV provides USDA Service Center Agencies (FSA, NRCS, RD) customers the option of electronically accessing, printing, filling out and submitting forms and program applications. To fully utilize eGOV capabilities producers set up their own account for electronic signature authority at www.eauth.egov.usda.gov. Once registered the producer visits the FSA office to activate his/her account and receive a password to conduct business electronically with USDA agencies. Current programs available through eGOV include loan deficiency payments, Direct and Counter Cyclical Program contracts, and financial inquiries that allow producers to track USDA payments and deposits.



eGOV REGISTRATION PROCESS

1. Access any of these sites:
 - USDA Customer Statement
<http://customerstatement.usda.gov>
 - Electronic LDP Signup
http://www.fsa.usda.gov/egov/eldp_default.htm
 - Electronic DCP Signup
http://www.fsa.usda.gov/egov/edcp_default.htm
2. Create an online user profile and apply for Level 2 access
3. Respond to the verification email within 7 days of receipt.
4. Visit the County Office in person and provide photo identification in order to receive Level 2 Activation.
5. Access Level 2 applications within 1 hour after profile has been activated.

SPECIAL ACCOMMODATIONS WILL BE MADE UPON REQUEST FOR INDIVIDUALS WITH DISABILITIES, VISION IMPAIRMENT, OR HEARING IMPAIRMENT. IF ACCOMMODATIONS ARE REQUIRED, PLEASE CALL CONSTANCE REID GUFFEY AT (517)263-7400.

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