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Ottawa County News

Ottawa County
USDA Service Center

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DIRECT & COUNTER-CYCLICAL PAYMENT SIGNUP UNDERWAY IN NEW FARM BILL

WASHINGTON, June 25, 2008 - Agriculture Secretary Ed Schafer said USDA's announcement for signup beginning today in the 2008 Direct and Counter-cyclical Payment Program (DCP) helps deliver certainty for the crop year and the option of a timely advance payment. Contracts are available today at USDA Service Centers and signup will continue until September 30, 2008. USDA's DCP readiness follows the June 12 availability of marketing assistance loan and loan deficiency payment (LDP) provisions, within three weeks of commodity title enactment.

"Within weeks of its becoming law, we began to put a farm bill into the field and out into the country," said Schafer. "USDA does what its employees do best: putting words into action and delivering results."

Producers can fill out their 2008 DCP contract at any USDA Service Center. Producers can also sign-up online. They can choose payment options, assign crop shares, and sign and submit their contracts from any computer with Internet access. They can also view and print submitted contract options.

USDA computes DCP 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 2008, eligible producers may request to receive an advance payment of 22 percent of the direct payment for each commodity associated with the farm. USDA will issue advance direct payments as soon as practical after enrollment.

Final direct payments will be issued after Oct. 1, 2008. Counter-cyclical payments vary depending on market prices, and are issued only when the effective price for a commodity is below its target price (which takes into account the direct payment rate, market price and loan rate).

Since 2002, USDA has issued approximately \$40 billion in DCP payments to America's agricultural producers. Participants must submit the completed DCP contract by Sept. 30, 2008. Applications filed after this date will not be approved.

The online, electronic DCP (or eDCP) service saves producers time, reduces paperwork and speeds contract processing at USDA Farm Service Agency offices. It is available to all producers who are eligible to participate in DCP and who obtain eAuthentication accounts.

The electronic service is available by going to <http://www.fsa.usda.gov/edcp> and clicking on "Access eDCP Service." To access the service, producers must have an active USDA eAuthentication Level 2 account. To get a Level 2 account, producers must complete an online registration form at:

<http://www.eauth.egov.usda.gov> and then visit the local USDA Service Center to verify their identity. The service has strict security measures to protect participants' private information. Only authorized federal employees have access to information producers submit electronically. For more information about DCP, which will include a fact sheet, go to the DCP Web page at:

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



NEW FOR 2008 FARM PROGRAM

Generally, no producer on a farm that has a total of 10 base acres or less shall be eligible to receive payments on that farm. However, this prohibition does not apply to a farm that is wholly owned by a socially disadvantaged or limited resource farmer or rancher. If the farm is owned by a legal entity, such as a corporation, each member of the entity must be a socially disadvantaged or limited resource farmer or rancher. Contact the office to learn more about the definition of “socially disadvantaged and limited resource farmer or rancher.”

2008 RECONSTITUTIONS

Farms are *constituted* to group all tracts having the same owner and the same operator under one farm 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.

COC’s (County Committee) may **not** approve requests for recons of farms having base acres of 10.0 acres or less if the request was received after the date of enactment of the 2008 Act (May 22, 2008) except if the owner of the farm has been notified of the recon before June 24, 2008.

Exception: A farm having base acres of 10.0 acres or less may be combined with another farm if 1 of the farms undergoes a change in land ownership after May 22, 2008. To qualify for this exception, the owners of each of the farms participating in the new combination must be identical and have identical shares in both farms.

Unless prohibited by the above, producers **must** request recons (regardless of base size) by **August 1, 2008** in order to have the recon be effective for the 2008 program.



COUNTY OFFICE SEEKING NOMINATIONS FOR 2008 COC ELECTION

One of FSA’s responsibilities is to conduct County Committee elections in an open manner that ensures accountability. FSA has provided local organizations representing socially disadvantaged groups with detailed information about the COC election process. The agency continually reaches out to agricultural communities to get equitable representation on their county committees.

Socially disadvantaged farmers and ranchers are still encouraged to fill out and submit a nomination form (FSA-669A) to the county office by August 1, 2008. Under represented farmers and ranchers are encouraged to step up and participate in their county’s COC election process. Producers will notice posters and announcements displayed in businesses, churches, and other public places. COC election fact sheets can be found online at <http://www.fsa.usda.gov/FSA> under the News & Events tab on the FSA homepage.

DISASTER ASSISTANCE

The 2008 Food, Conservation, and Energy Act created several new disaster programs under the title “Supplemental Agricultural Disaster Assistance.” Generally, producers are eligible for the disaster programs only if they have, for the land for which assistance is requested, and for all farms in all counties in which they have interest, obtained FCIC (Federal Crop Insurance Corporation) or NAP (Non-insured Assistance Program) coverage. “Insurable” crops are those for which a policy or plan of catastrophic coverage (CAT) insurance was available through FCIC. “Noninsurable crops” are those crops for which a policy or plan of insurance is not available, however, coverage is offered by the FSA under the NAP Program. However, for the 2008 crop year only, producers who were eligible to obtain crop insurance but did not, can “buy-in” or be “waived” to be eligible for these disaster programs by paying by the deadline (September 16, 2008) a fee in an amount equal to the unpaid CAT or NAP fees. Producers who want to buy-in to these disaster programs must complete the appropriate form and pay the applicable “buy-in” fees.

REPORTING CROP ACREAGE

The annual, timely and accurate reporting of acres for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of FSA programs. All cropland on the farm must be reported to receive benefits from the DCP Program, marketing assistance loans and Loan Deficiency Payments.

Conservation Reserve Program (CRP) acreage must be reported to receive annual rental payments and crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported. Crop reports, form FSA-578, Report of Acreage, must account for all cropland on a farm, whether idle or planted. **Producers need to file acreage reports by August 15 for all crops.**

Farm SOS Action

DISASTER ASSISTANCE cont'd

The CAT fee is \$100.00 per crop, but not more than \$300 per producer per county, or \$900 total per producer for all counties. Accordingly, the buy-in cost with respect to 2008 insurable crops is based on those levels minus any previously paid fees for CAT (this does not include any premiums paid for buy-up insurance coverage).

The NAP fee is \$100 per crop, but not more than \$300 per producer per county, or \$900 total per producer for all counties. Accordingly, the buy-in cost with respect to 2008 noninsurable crops is based on any previously paid fees for NAP. Again, separate forms are required for the 2008 insurable and noninsurable crops and separate dollar limitations apply to each insurable and noninsurable buy-ins. The producer must buy-in for all noninsurable and insurable crops.

STATE ACRES FOR WILDLIFE ENHANCEMENT (SAFE)

Ottawa is one of several counties approved for the conservation practice CP-38E – Pollinator Habitat Planting. Sign-up for this proposal began July 1, 2008. The goal of the CRP (Conservation Reserve Program) SAFE Pollinator Habitat Planting is to establish 2,500 acres to diverse native grasses and wildflowers for pollinator habitat in 22 Michigan Counties along Lake Michigan within the next 5 years.

Animal pollinators are responsible for pollinating approximately 35% of all crops in the world. In North America, the value of agricultural products from pollinated plants is in the billions reflecting the very important ecological service which pollinators provide. Approximately three quarters of all flowering plants rely upon animals to pollinate their flowers. Recent studies have provided evidence that many native pollinators are in decline. In a 2006 National Academy of Sciences publication indicated, “long-term population trends for several wild bee species (notably bumble bees), and some butterflies, bats and hummingbirds are demonstrably downward.” The loss of native grassland habitats in Michigan is well documented. The

purpose of the SAFE proposal is to offer incentives to private landowners to install grassland plantings which are beneficial to native pollinators. These plantings will provide a diverse stand of wildflowers along with a grass component to provide a stable and long term source of pollen and nectar.

Eligible lands are working lands that were in crop production 4 out of 6 years between 1996 and 2002 (Note: the cropping history will be changed to 4 of 6 years between 2002 and 2007 as of October 1, 2008) and/or be part of a working orchard/vineyard/perennial fruit producing area (i.e. blueberries, strawberries, raspberries, etc.), and must be physically capable of being planted. The plantings may consist of a block or border planting, whole field planting or a field border planting. The installed practice must be a minimum of 2 acres in size with a minimum width of 100 feet.

The USDA would make payments for land management and restoration:

- Up to 90% cost share – the cost to prepare habitat and plant vegetation for wildlife.
- 50% cost share for management, such as prescribed burns, that is required to maintain the vegetation for wildlife during the 10-15 year contract.
- Whole fields can be enrolled as well as stream and wetland buffers.
- Annual maintenance payment to offset periodic maintenance activities.

Payments to the farmer’s pocket:

- Annual rental payments based on average rental rates for the 3 predominate soils on the cropland being enrolled for the length of the CRP contract (10-15 years). The current average Michigan rental rate is \$77/ac.
- A additional \$100/acre upfront incentive for accepted offers

Contact your county office to initiate an offer for the CP 38E – Pollinator Habitat Planting.



**HIGHLY ERODIBLE
 LAND (HEL) &
 WETLAND
 CONSERVATION
 (WC) COMPLIANCE**

Landowners and operators are reminded that in order to receive payments from USDA, compliance with HEL and WC provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Contact should be made to the USDA Service Center prior to conducting land clearing or drainage projects to insure compliance.

**SECRETARIAL NATURAL
 DISASTER DETERMINATION**

Ottawa, Allegan and Muskegon County have been designated as a natural disaster area where eligible farmers may qualify for Farm Service Agency emergency (EM) loans due to losses caused by storms with tornadoes, hail, & high winds that occurred from 6/6/2008 through 6/15/2008, and severe storms, tornadoes and Flooding 06/06/08 continuing through 06/13/08. Please contact the Farm Loan Manager, Leslie G. Wills @ 616-842-5852, for more information.



August 15	Final date for 2008 crop reporting
Sept 1	Office Closed – Labor Day
Sept 16	Final date to purchase buy-in for FCIC or NAP crops
Sept 30	DCP/CC Program Sign-up ends
Sept 30	Final date to submit producer and landowner signatures
Continues	SAFE
Continues	Continuous Conservation Reserve Program
Continues	Farm Storage/Facility Loan
Continues	Crop Disaster Program Signup for 2005, 2006 & 2007 for Quality and Quantify losses



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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.