

November 2013



NEWSLETTER



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Michigan FSA State Office Updates

Michigan State FSA Office

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Next State Committee Meeting: December 3, 2013

Changes in Farming Operation

With the close of crop year 2013 upon us, you may already be thinking about decisions on how you will operate in 2014. Have you picked up new ground? Are you forming a new entity or changing the structure of your current farming operation? Do you have changes in farm ownership that must be reported?

If so, you should visit your local Farm Service Agency office now! These are just a few of the types of changes that must be reported to FSA each year. If you have bought or sold land, or if you have picked up or dropped rented land from your operation, make sure you report the changes to the local FSA office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property.

Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact their local FSA office of a change in operations on a farm so that records can be kept current and accurate.

Annual CRP and DCP Payments

Please note that annual farm program payments for the Conservation Reserve Program (CRP) and Direct and Counter-Cyclical (DCP) programs were issued beginning in late October. Payments are being issued to producers who have properly completed all of the required contract and eligibility information with the local FSA office.

Highly Erodible Land (HEL)/Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions is **required**. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to

notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and **all** USDA payments.

Marketing Assistance Loans (MALs) Now Available

USDA's Commodity Credit Corporation (CCC) makes available nonrecourse marketing assistance loans (MAL) for certain commodities, including but not limited to corn, soybeans, wheat, barley, oats, grain sorghum, wool, and honey. MALs provide interim financing for eligible producers, allowing them to store their crops at harvest (when prices tend to be low), then market their crops when prices rise. These loans carry a nine month maturity and can be repaid with cash at principal plus interest anytime from loan disbursement to loan maturity.

To be eligible, producers must have met the following criteria:

- produced an eligible loan commodity during for the applicable crop year
- complied with annual program requirements
- maintain beneficial interest (have title to the commodity and retain control of the commodity)
- request MAL on or before the final loan availability date for a specific commodity (January 31st for wool, March 31st for wheat and small grain, and May 31st for corn, soybeans, and grain sorghum)
- submit lien waivers for any liens existing on the crop for which MAL is being requested (if required).

Producers may store commodities in eligible storage unit on the farm or may deliver their commodity to a federally-approved warehouse. CCC establishes loan rates for eligible commodities annually at the national level, and adjusts the rates locally.

If a violation of the loan term occurs (Incorrect certification, unauthorized removal, or unauthorized disposition of the commodity) administrative actions may apply. CCC also provides recourse loans, distress loans, and sugar loans to eligible producers. FSA provides marketing assistance loans on behalf of CCC. More information on the MAL, commodity loan, electronic LDP (eLDP) and LDPs is available from local FSA Service Centers and FSA's website at: <http://www.fsa.usda.gov>, click on Price Support.

Farm Safety

Flowing grain in a storage bin or gravity-flow wagon is like quicksand — it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped.

The mechanical operation of grain handling equipment also presents a real danger. Augers, power take offs, and other moving parts can grab people or clothing.

These hazards, along with pinch points and missing shields, are dangerous enough for adults; not to mention children. It is always advisable to keep children a safe distance from operating farm equipment. Always use extra caution when backing or maneuvering farm machinery. Ensure everyone is visibly clear and accounted for before machinery is engaged.

FSA wants all farmers to have a productive crop year and that begins with putting safety first.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).