



NEWSLETTER



April 2012

Huron County Farm Service Agency

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Website
www.fsa.usda.gov/mi

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

County Committee

Ken Koroleski
Chris Grekowicz
Robert Krohn
Lisa Szymanski

Farm Program Staff

Becky Aubuchon
Douglas Gay
Connie Mattice
Maggie Roggenbuck
Susan Sauer

Nathan Prill, Director

Farm Loan Staff

Ava Hacker
Wendy Honoway

Angela Herford, Manager

2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical (DCP) & ACRE Program enrollment will begin Jan. 23, 2012 and will end June 1, 2012. Here are some IMPORTANT REMINDERS:

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Farm Record Updates for tracts enrolled in DCP/ACRE **must** be reported to your local FSA office such as:
 - Ownership changes
 - Producer changes (Individuals and Entities)
 - Change in crop shares arrangements

Note: There will be no DCP/ACRE advance payment for 2012.

Milk Income Loss Contract (MILC) Program

As dairy prices continue to fluctuate, please remember that the MILC program continues through September 2012.

Milk producers that are not already signed up may still do so at any time before the program end date. New producers that submit a Milk Income Loss Contract (MILC) for benefits can select as their production start month for the dairy operation either:

- The month the MILC is submitted
- Any month from the remaining months in the fiscal year as long as it is on or before the 14th of the month **before** the month that you wish to start receiving payment

Any producer that is already signed up and wishes to change the start month must do so on or before the 14th of the month **before** the month that you currently have chosen as a start month. So if the selected start month is April, 2012 and you wish to change that start month to May, 2012, the change must be made on or before March 14, 2012.

The baseline price of \$16.94/cwt is adjusted upward when the National Average Dairy Feed Ration Adjustment (NADFR) is greater than the following established levels:

Jan. 1, 2008 - Aug. 31, 2012 - \$7.35
Sept. 1 - 30, 2012 - \$9.50

The annual maximum eligible pound limit per dairy operation per fiscal year is as follows: Oct 1, 2008 - Aug 31, 2012: 2,985,000

Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 crop losses continues until **June 1, 2012**.

The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.



Lease Requirements for DCP and ACRE Contracts:

Leases must contain:

- The type of lease (cash, share, etc)
- Landowner name, signature, and date
- Farm operator name, signature and date
- Length of lease (list number of years with start date)

*A statement that allows the operator to combine the land with other land he/she works, is helpful (not required), especially if you plant dry beans or other Fruit and Vegetable (FAV) Crops.

Actively Engaged in Farming Determinations

USDA has amended the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity **must** make contributions of active personal labor and/or active personal management for the farming operation. The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs when both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- The total direct payments received by the legal entity and each of the members can't exceed \$40,000.

Marketing Assistance Loans

Marketing Assistance Loans, also referred to as Commodity Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

Maintaining the Quality of Loaned Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

Farm Loan Programs

The Farm Service Agency is committed to providing farmers with loans to meet their farm credit needs. If you are having trouble getting the credit you need for your farm, or regularly borrow from FSA, direct and guaranteed loans are currently available.

Ask your lender about an FSA loan guarantee if you've had a setback and your lender is reluctant to extend or renew your loan.

Farm ownership loans or farm operating loans may be obtained as direct loans for a maximum of up to \$300,000. Guaranteed loans have a maximum limit of \$1,214,000. This makes the maximum combination of direct and guaranteed loan indebtedness \$1,514,000.

The one-time loan origination fee charged on FSA guaranteed farm ownership and operating loans has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after October 1, 2011.

Rural Youth Loans

The Farm Service Agency makes loans to rural youths to establish and operate income-producing projects in connection with 4-H clubs, FFA and other agricultural groups. Projects must be planned and operated with the help of the organization advisor, produce sufficient income to repay the loan and provide the youth with practical business and educational experience. The maximum loan amount is \$5,000.

Beginning and Limited Resource Farmers

FSA assists beginning farmers and/or members of socially disadvantaged groups to finance agricultural enterprises. Under these designated farm loan programs, FSA can provide financing to eligible applicants through either direct or guaranteed loans. FSA defines a beginning farmer as a person who:

- Has operated a farm for not more than 10 years
- Will materially and substantially participate in the operation of the farm
- Agrees to participate in a loan assessment, borrower training and financial management program sponsored by FSA
- Does not own a farm in excess of 30 % of the county's median size.

Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of a group.

FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

***Additional program information, loan applications, and other materials are available at the Huron County USDA Service Center. You may also visit www.fsa.usda.gov

Controlled Substances

Program participants convicted under federal or state law of any planting, cultivating, growing, producing, harvesting or storing a controlled substance are ineligible for program payments and benefits. If convicted of one of these offenses, the program participant shall be ineligible during that crop year and the four succeeding crop years.

Spousal Signatures

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

Noninsured Crop Disaster Assistance Program (NAP)

The Non-insured Crop Disaster Assistance Program (NAP) is a federally funded program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. *NAP Losses must be reported within 15 days of loss.*

Huron County FSA Office
 1460 S. Van Dyke Road
 Bad Axe, Michigan 48413



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County Committee Meetings

Due to budgetary issues, County Committee Meetings will be held quarterly throughout calendar year 2012. Dates of meetings and regular session minutes are posted in the offices. Please call your respective office in advance to confirm meeting dates and time.

Dates to Remember	
April 13	General CRP Sign-up 43 Ends
May 28	Office Closed in Observance of Memorial Day
May 31	Final date to request corn & soy bean loans.
June 1	DCP/ACRE Sign-up Closes
June 30	Crop Certification Deadline for Wheat and Small Grains
July 15	Certification Deadline for all other crops including: Corn, Beans, CRP, & Alfalfa

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 FSA office staff.

Visit our Web site at:
www.fsa.usda.gov/mi

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