



Lenawee County News

Lenawee County USDA Service Center

Lenawee County FSA
1100 Sutton RD
Adrian MI 49221
517-263-7400(phone)
517-265-9121(fax)
www.fsa.usda.gov/mi

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

County Committee
Alan Gould
Michael Feight
Dale Terry

COC Advisor
Bonnie Hunt

County Committee meets
First Wednesday 8:30 am

Staff
Constance Reid Guffey
County Executive Director
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 Jordan
Farm Loan Manager
110
Rebecca Deline 111
Katy Gust 103
Susan Lerch 112



COUNTY COMMITTEE ELECTION RESULTS

Thank you to all who participated in the County Committee election process. Dale Terry of Palmyra has been elected to the County Committee for Local Administrative Area III. Alternates are Jeffrey Ehlert and Linda Wilkin. At the first meeting of the year held on January 6, 2010, Alan Gould was selected as Chairperson, Michael Feight as Vice Chairperson and Dale Terry as Regular Member.

Great thanks go to Jeffrey Ehlert for his many years of excellent service on the FSA County Committee. Thanks Jeff!

2010 DCP AND ACRE ENROLLMENT

We are making appointments for enrollment now. Please complete your rental agreements and give us a call soon. DCP and ACRE contracts cannot be approved for payment until:

1. The land owner signs the contract or
2. The land operator submits an acceptable lease or
3. The operator signs a form CCC-510 stating that the land is cash rented and he/she requests an advance payment after June first. This option cannot be used if the land was not cash leased 2009 and also enrolled DCP.

JUNE FIRST IS THE DEADLINE TO ENROLL. PLEASE CALL SOON.

CURRENT LEASE REQUIREMENTS

EFFECTIVE 11/16/09:

Rental agreements and leases must include:

- land owner name, signature, and signature date
- farm operator name, signature, and signature date
- length of lease (if multiple years, list number of years)
- type of lease (cash rent, share of crop, barter terms)

SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS (SURE) PROGRAM

This program replaces past disaster programs for crops. Payments are earned when there is a revenue loss on all of a producer's farms combined.

Lenawee County had a Secretarial Disaster declaration for 2008, therefore, producers who obtained insurance or NAP coverage on all crops of economic significance are eligible to apply for SURE.

To be eligible, producers are required to have crop insurance or non-insured crop assistance (NAP) coverage on all crops, on all farms in the nation. An exception is a crop that is not economically significant (one which is not expected to contribute at least 5% of the farm's income.)

We are currently taking applications. If you had an insurance indemnity in 2008, you should contact us.



SIGN-UP FOR DCP AND ACRE PROGRAMS

We are currently enrolling farms for the Direct and Counter-cyclical Program (DCP) and the Average Crop Revenue Election (ACRE) Programs.

It is time to finalize leases for 2010 land and request farm re-constitutions if land in your operation has been dropped, added, or has changed ownership. See page 1 for more information and new lease requirements!

INTERESTED IN THE ACRE PROGRAM?

Call the office and we will hold a small group meeting to review the ACRE program rules.

Your revenue loss may qualify for a SURE payment. We already have the RMA data for production losses you have reported to your agent. For your appointment, please bring in production figures for any crops for which you did not file for a production loss. You may certify to the production, but you must maintain records that are verifiable or reliable to justify the figures you certify, as spot checks will be done. Multi-county producers may start the process in any county in which they certified crops. All counties involved will have action by their County Committees and then the information will be finalized by one county.

2010 NAP Coverage Deadline Approaching

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to reduce financial losses that occur when natural disasters cause a catastrophic loss of production or prevented planting of an eligible crop by providing coverage equivalent to catastrophic (CAT) insurance. Statute limits NAP to each crop or commodity, except livestock, for which CAT is not available.

The application deadline date for the 2010 NAP coverage for most crops is March 15, 2010. (wheat, small grains, fall speltz, forage crops, fruits, berries, and asparagus was in the fall of 2009.

Producers who had coverage on 2009 NAP crops may choose to continue coverage on the same crop or crops for 2010, if the applicable service fee is submitted by the application closing date. A new CCC-471, application for coverage is not required to be signed when applying for continuous coverage of the same crop or crops.

Producers who choose to add a new crop or delete a crop or change crop shares must file

a new CCC-471 with signatures and pay the applicable service fee by March 15th.

Producers with NAP coverage must remember to complete the following to qualify for NAP benefits:

Timely file acreage reports and keep track of harvested production using acceptable methods. For example, bale weights or other means of determining quantities of hay are required.

File a "Notice of Loss" within 15 days of when a loss is apparent, due to drought, hail, etc.

REMEMBER THAT ALL 2010 CROPS MUST BE COVERED BY NAP OR CROP INSURANCE FOR A PRODUCER TO BE ELIGIBLE FOR THE SURE PROGRAM FOR 2010.

NAP Production Reporting

Production records for individual crops need to be filed with our office to establish an approved NAP yield each year. Records submitted must be reliable or verifiable. The records need to show crop disposition. It is recommended producers submit 2009 production records soon after harvest. *All production records for 2009 must be submitted by the 2010 acreage report date for the crop. The final acreage reporting date for NAP crops is July 15, 2010.*

Our next newsletter will cover production reporting for ACRE.

Maintaining CRP Cover

Cover maintenance for CRP is the participant's responsibility and must be done according to the conservation plan. All activity such as mowing, burning, and spraying must be conducted outside the primary nesting season for wildlife. In Michigan this is after August 1 and before August 24. Call the office if you have questions.

Farm Storage Facility Loans are available at great rates and terms!

January interest rates are 2.875 to 3.75% depending of the term of the loan. See chart on last page.

For more information please visit your FSA county office or www.fsa.usda.gov.



ADJUSTED GROSS INCOME (AGI) RULES FOR 2010 AND 2009/2010 AGI COMPLIANCE INFORMATION

The limits set in the 2008 Farm Bill are \$500,000 nonfarm average AGI for commodity and disaster programs; \$750,000 farm average AGI for direct payments; and \$1 million nonfarm average AGI for conservation programs.

Participants in CCC programs subject to average AGI rules **must annually certify their eligibility to receive benefits** by either submitting a statement from a certified public accountant or an attorney, or by completing form CCC-926. This form may be obtained from local FSA and NRCS offices or online at: <http://forms.sc.egov.usda.gov/efforms/mainServlet>.

USDA has finalized a Memorandum of Understanding with the Internal Revenue Service to establish an electronic information exchange process for verifying compliance with the adjusted gross income (AGI) provisions for farm programs.

Written consent will be required from each producer or payment recipient for the tax review process. No actual tax data will be included in the report that IRS sends to USDA.

This agreement will ensure that payments are not issued to producers whose AGI exceeds certain limits.

NEW!

- AGI forms will be required from each producer for 2010.
- AGI compliance activities for 2009 and 2010 will be verified by IRS using IRS tax data
- All 2009/2010 participants will be reviewed
- County Office personnel will not be involved with the AGI reviews
- Authorization for IRS to use and disclose certain tax information to CCC/FSA for AGI compliance verification purposes
 1. Requires the CCC-927 2009 and/or 2010 Consent To Disclosure of Tax Information – Individual; to be completed by an individual with a Social Security number, that is a program participant or who is a member of a legal entity that is a program participant in 2009 an/or 2010.
 2. Requires the CCC-928 2009 and/or 2010 to be completed by a legal entity with a employer identification number that is a program participant that is a member of another legal entity that is a program participant in 2009 an/or 2010
- Form CCC-927 or CCC-928 must be timely submitted by each individual or legal entity that received, directly and indirectly, 2009 and/or 2010 program payments.
- To protect private information, producers will complete and mail the consent forms to the IRS. Form must be mailed within 60 days of signature date.
- Failure to timely file the form will result in the refund of 2009 and/or 2010 program benefits received from FSA and NRCS.
- A reconciliation will identify producers that have not submitted a consent form to IRS and have received 2009 payments, requested or received 2010 program payments (payments include both FSA and NRCS)

**INTERESTED IN
FSA NEWS BY
EMAIL?**

If you would like to be on my distribution list and receive emails about deadlines and new program information, please contact me at:
constance.guffey@mi.usda.gov

**Check the Soil Conservation District website for USDA News from FSA and NRCS!
www.lenaweeconservationdistrict.org**

**PAYMENT ELIGIBILITY RULE
CHANGE FOR 2010**

All partners, stockholders or members with an ownership interest in a legal entity must make contributions of active personal labor and/or active personal management to the farming operation that are performed on a regular basis, identifiable and documentable, and are separate and distinct from the contributions of other members. For 2010 an exception may apply if at least 50% of the interest is held by members that are providing the labor and/or management discussed above and the members are collectively receiving total payments that are \$40,000 or less.

June 1 will be used for determination of a minor child for direct attribution for payment limitation purposes.

Dates to Remember

January 18	Office closed for the observance of Martin Luther King Jr. Day
February 15 th	Office closed for the observance of President's Day
March 15	NAP sales closing date

**Selected Interest Rates for
January 2010**

7 yr. Farm Storage Facility Loans	2.875%
10 yr. Farm Storage Facility Loans	3.375%
12 yr. Farm Storage Facility Loans	3.750%
Commodity Loans 1996-Present	1.375%

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