



Presque Isle-Cheboygan County News

September 2009

Issue #3

**Presque Isle-Cheboygan
County USDA Service
Center**

**Presque Isle-Cheboygan
County FSA**

4050 Michigan Ave.
Onaway, MI. 49765
989-733-8323 (phone)
989-733-8170 (fax)
www.fsa.usda.gov/mi

Hours

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

County Committee

Ed Reimann –
Chairperson
Wayne Schalk – Vice
Chairperson
Clifford Tollini – Member
Sonya Kuffell – Member
Beth Ann Buhr - Member

The County Committee
meets on the third
Wednesday of each
month starting at 10:30
a.m. Open to the public.

Staff

Robin Grainger – Program
Technician
Laura Panko – Program
Technician
Bernie Soik – Field
Technician

Mack Francoeur, Farm
Loan Manager

Carmen A. Church –
County Executive
Director



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 closing date for the 2010 NAP coverage for wheat, small grains, rye, barley and forage crops is September 30, 2009.

Producers who already have 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(s) or delete a crop(s) from previous year's coverage or changing crop shares must file a new CCC-471 with signatures and pay the applicable service fee.

Producers with NAP coverage must remember to complete the following to qualify for 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: ALL 2010 CROPS MUST BE COVERED BY NAP OR CROP INSURANCE FOR A PRODUCER TO BE ELIGIBLE FOR THE SURE PROGRAM.

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.*

Farm Storage Facility Loan Program Changes

The Farm Storage Facility Loan (FSFL) program allows producers of eligible commodities to obtain low-interest financing to build or upgrade farm storage and handling facilities.

The new maximum principal amount for a loan through FSFL is \$500,000. Participants are now required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment. New loan terms of 7, 10, or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department.

Direct Deposit Accounts

Please check your Direct Deposit account with us.

We will begin making 2009 DCP and CRP payments in October. If you have made any changes in bank accounts, it is your responsibility to contact us to ensure your payments are deposited in the correct account.

Transaction statements will be mailed directly to you from our Kansas City payment center.

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.

Payments are available in the form of a partial disbursement and the remaining final disbursement. The partial disbursement will be available after a portion of the construction has been completed. The maximum amount of the partial disbursement will be 50 percent of the projected and approved total loan amount.

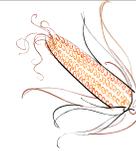
Applications for FSFL must be submitted to the FSA county office that maintains the farm's records. An FSFL must be approved before any site preparation or construction can begin.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Hay
- Renewable biomass (any organic matter available on a renewable or recurring basis that is used for the production of energy, excluding manure.)
- Fruits (including nuts) and vegetables – cold storage facilities

September interest rates are 3.25 to 4% depending on the term of the loan.

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



Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or CCC takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan – even if the producer regains beneficial interest.

Commodity loan eligibility also requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets Commodity Credit Corporation minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

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.



Succession in Interest

If you have made any changes that affect your interest in base acres since you signed your last Direct and Counter-Cyclical Program contract, you must report these **successions-in-interest** to the county committee by September 30th.

Changes that qualify as a succession-in-interest include:

- A sale of land
- A change of operator or producer
- A foreclosure, bankruptcy or involuntary loss of the farm
- A change in producer shares that were originally approved on the contract.

Not reporting a succession-in-interest can result in contract termination and a loss of program benefits for all producers involved.

Biomass Crop Assistance Program

FSA is currently accepting applications from biomass facilities interested in participating in the Biomass Crop Assistance Program (BCAP). The purpose of the program is to support the establishment and production of eligible crops for the conversion to bioenergy and assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in biomass conversion facilities.

Once an agreement is signed between FSA and a facility and funding through the program is provided, the facilities can begin accepting materials. Producers who sell these materials can apply for matching payments under the collection, harvest, storage and transportation (CHST) component of BCAP.

The matching CHST payments are paid at a rate of \$1 for \$1 per dry-ton equivalent received from a qualified biomass conversion facility, not to exceed \$45 per dry-ton equivalent. A biomass owner is eligible to receive payments for two years. The purpose of the matching payments is to assist biomass producer with the CHST cost of delivering biomass to a qualified biomass conversion facility. Once a facility becomes qualified, eligible material owners or producers who deliver biomass to that facility may be eligible to receive CHST payments.

Eligible material owners or producers, who market eligible material to qualified biomass conversion facility, may apply for the matching CHST payment at their FSA county office. An application must be submitted before the eligible material is sold and delivered to a qualified biomass conversion facility. After the product is delivered, a producer must provide FSA with documentation of product quantity, quality and payment rate. County offices will validate payment requests with information in the

County office and information provided under the terms of MOU's with the qualified biomass conversion facilities. CHST payments will not be authorized until after an appropriate environmental analysis has been conducted.

Biomass conversion facilities and material owners or producers should contact their FSA state offices or visit www.fsa.usda.gov for more information.



“ACRE” Production Reporting

Producers participating in the ACRE program must report their actual crop yields for 2009. Acceptable documentation includes:

- Receipts of crops sold (warehouse receipts, settlement sheets, sales documents)
- Appraisal done by crop insurance
- Paid measurement of bins or other farm storage

Please give us a call if you are chopping corn for silage. We will help you determine when appraisals are necessary.

Actual farm yields must be reported by the **subsequent crop year's** acreage reporting deadline. (Fall seeded crops, June 30; spring crops, July 15).

2010 DCP/ACRE Signup

Enrollment will begin on October 10, 2009 for the 2010 crop year. Enrollment will end on June 1, 2010. Please take note of deadline enrollment dates and make arrangements to signup early.

**Interest Rates for
 September 2009**

7 yr. FSFL	3.250%
10 yr. FSFL	3.625%
12 yr. FSFL	4.000%
Commodity Loans	1.500%

Dates To Remember

- September 30 – NAP deadline
- October – CRP Annual payments issued.
- October – DCP final payments issued.
- October 12th – Office closed for Columbus Day.
- November 11th – Office closed for Veterans Day.
- November 26th – Office closed for Thanksgiving.
- December 7th – COC Election Day
- December 25th – Office closed for Christmas.
- Continues – Continuous Conservation Reserve Program.
- Continues – Farm Storage Facility Loan.

Marketing Assistance Loan Rates

Presque Isle

Crop	Loan Rate
Red Wheat	\$1.73
White Wheat	\$1.96
Corn	\$1.78
Barley	\$1.67
Oats	\$1.32
Soybeans	\$4.87
Sunflowers	\$7.83

Cheboygan

Crop	Loan Rate
Red Wheat	\$1.73
White Wheat	\$1.96
Corn	\$1.78
Barley	\$1.67
Oats	\$1.32
Soybeans	\$4.87
Sunflowers	\$7.90



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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.