

July/August 2012



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## Wexford/Benzie/Missaukee/Osceola County FSA Updates

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**Wexford/Benzie/  
Missaukee/Osceola  
County**

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**County Executive Director:**  
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### FSA COC Nomination Deadline

County committees (COC) play a crucial role in helping the county office staff implement the Farm Bill. Due to the important services that COC members provide, producers are encouraged to participate in the FSA county committee election process by nominating an eligible candidate by the August 1, 2012, deadline.

To become a nominee, eligible individuals must sign form FSA-669A. The form and other valuable information about FSA county committee elections are available online at:

[http://www.fsa.usda.gov/Internet/FSA\\_File/fsa0669a\\_commiteelectform.pdf](http://www.fsa.usda.gov/Internet/FSA_File/fsa0669a_commiteelectform.pdf)

FSA county committee members make decisions on disaster and conservation programs, emergency programs, commodity price support loan programs and other important agricultural issues. Members serve three-year terms. Nationwide, there are more than 7,800 farmers and ranchers serving on FSA county committees. Committees consist of three to five members who are elected by eligible local producers.

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### 2012 Emergency Haying and Grazing of CRP Acres

As you may have heard on the news, our counties are currently experiencing a drought. Because of its severity, the Secretary of Agriculture has opened up specific practices on CRP acres for Emergency Haying and Grazing. Current CRP contracts may be eligible depending on the approved practice.

2012 Emergency Haying starts August 1, 2012 (in Michigan) and ends August 31, 2012.

- shall leave at least 50 percent of each field or a contiguous field unhayed for wildlife.
- hay must be removed from contract acreage no later than September 15, 2012

2012 Emergency Grazing starts August 1, 2012 (in Michigan) and ends September 30, 2012

- shall leave at least 25 percent of each field or contiguous CRP fields ungrazed for wildlife, or graze not more than 75 percent of the stocking rate determined by NRCS

2012 Emergency Haying or Grazing requires:

- a request form signed by everyone listed on the CRP Contract

- a modified Conservation Plan
  - written approval from the County Committee
  - reporting acres after haying or grazing is completed
  - 10% reduction in the annual payment on acres hayed or grazed
- Eligible practices for Emergency Haying or Grazing include CP1, CP2, CP4B, CP4D, CP10, CREP CP1, and CREP CP2. Eligible practices for Managed Haying or Grazing include CP1, CP2, CP4D, and CP10. Please contact the office at 231-775-7681 if you wish to participate or would like more information.

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## Over the Counter Channel (OTCnet)

FSA/CCC is moving toward OTCnet, an electronic method for processing customer check Payments. When a check is submitted for payment either in person or through the mail, the check Will be converted into an Electronic Funds Transfer (EFT). The funds will be debited from the Producer's account, usually within 24 hours of receipt. Please see the U.S. Department of Treasury legal notices posted in the Service Center or visit the following U.S. Department of Treasury Internet site for detailed information.

<http://fms.treas.gov/otcnet/legal.html>

### **What is OTCnet?**

OTCnet is a Web-based online application process for converting paper checks presented to FSA Into electronic debits to the producer's bank account. It presents many benefits, such as reducing Lost/misplaced checks and paper handling. This improves customer relations, speeds the check Clearing process, and reduces the potential for human error.

### **How will my check be handled?**

The check will be scanned into the system and voided. The customer will not receive the check Back from FSA. FSA will hold checks for up to 14 calendar days to ensure that the item was Successfully processed, and then FSA will shred the check.

### **How quickly will funds be transferred from my account?**

The transfer of funds from your account could occur within 24 hours. Therefore, you should be Sure that you have sufficient funds in your account to process the transaction. If you do **not** have Sufficient funds, we may initiate the transaction again.

### **How will this transaction appear on my account statement?**

The transfer of funds will be reflected on your account statement. The transaction may be recorded in a different place on your statement than where your checks normally appear, such as under "Other withdrawals" or "other transactions".

### **What are my rights if there is a problem with the transaction?**

You have protections under Federal law for an unauthorized electronic fund transfer from your Account. You should contact your financial institution immediately if you believe that the transaction reported on your account statement was not properly authorized or is otherwise Incorrect.

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## MILC Program

FSA's Milk Income Loss Contract Program (MILC) compensates dairy producers when domestic milk prices fall below a specified level. MILC payments are made when the Boston Class I milk price falls below \$16.94 per hundredweight (cwt) as adjusted by the dairy feed ration adjustment. The monthly Boston price is posted online at:

[http://www.fmmone.com/Northeast\\_Order\\_Prices/NE\\_Prices\\_main\\_new.htm](http://www.fmmone.com/Northeast_Order_Prices/NE_Prices_main_new.htm).

Eligible producers should submit the current MILC (Milk Income Loss Contract) statements for payment. Eligibility for 2012 must be completed before payments can be disbursed. Please contact the office to check the status of your eligibility. New producers are encouraged to apply for the program any time before Sept. 30, 2012.

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## Filing for NAP Losses

The CCC-576, Notice of Loss, is used to report failed acreage and prevented planting and may be completed by any producer with an interest in the crop. Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop

insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office within 15 days of the occurrence of the disaster or when losses become apparent.

If filing for prevented planting, an acreage report and CCC-576 must be filed within 15 calendar days of the final planting date for the crop.

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## Farm Safety

Summer is an exciting and hectic time on local farms. FSA employees care about our customers, and want to remind them to practice farm safety.

Remember to: Walk around machinery and check shields and guards; make sure the PTO's master shield is in place; make sure Slow Moving Vehicle signs are on machinery.

If you are taking medicine, take it at the appropriate time and eat on schedule.

If you are working in grain bins know that flowing grain can kill, and it can kill quickly. It takes less than five seconds for a person caught in flowing grain to be trapped. Try not to work alone in bins or confined spaces, and if that's not possible let someone know where you are by checking in regularly by cell phone.

The American Society of Safety Engineers (ASSE) offers the following safety tips for farmers:

1. Educate yourself on farm equipment. Read and follow instructions according to the equipment's manuals about safety.
  2. Conduct regular equipment inspections.
  3. Don't wear loose clothing while entering confined spaces such as grain bins, silos and hoppers as this can prevent entanglements.
  4. Install Rollover Protective Structures (ROPS) on tractors.
  5. Use seat belts while operating tractors with a ROPS. Do not allow additional passengers on the tractor with you.
  6. While operating tractors and other farm equipment, be very cautious on rural roadways.
  7. Use protective gear when operating machinery: Be familiar with hazardous chemicals. Take extra precaution when handling chemicals such as anhydrous ammonia, carbon dioxide, methane gas and hydrogen sulfide.
  8. Consistently educate your family and co-workers about safety practices, especially children.
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## Highly Erodible Lands and Wetland Compliance

Producers participating in most programs administered by the Farm Service Agency (FSA) and the Natural Resources Conservation Service (NRCS) are required to abide by certain conditions on any land owned or farmed that is highly erodible or that is considered a wetland.

To be in compliance with the highly erodible land conservation and wetland conservation provisions, producers must agree, that they will not:

- Produce an agricultural commodity on highly erodible land without a conservation system;
- Plant an agricultural commodity on a converted wetland;
- Convert a wetland to make possible the production of an agricultural commodity.

Producers planning to remove fence rows, convert woodlots to cropland, combine crop fields, divide a crop field into two or more fields, install new drainage, or improve or modify existing drainage, must notify the FSA and update Form AD-1026. FSA will notify NRCS and NRCS will then provide highly erodible land or wetland technical determinations.

To get additional information on highly erodible land and wetland conservation compliance contact the FSA office or the NRCS office at a local USDA Service Center. Additional information about conservation programs offered by FSA can be found online at [www.fsa.usda.gov/conservation](http://www.fsa.usda.gov/conservation), and information on NRCS programs can be found at <http://www.nrcs.usda.gov>.

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## FSA Farm Loans

The Farm Service Agency is committed to providing family 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 is 1.5 percent of the guaranteed portion of the loan.

To find out more about FSA loan programs, contact the county office staff.

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## Beginning and Limited Resource Loans

FSA has a program to assist 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 percent of the county's median size.

Each member of an entity must meet the eligibility requirements. Loan approval is not guaranteed.

Additional program information, loan applications and other materials are available at the local USDA Service Center or visit [www.fsa.usda.gov](http://www.fsa.usda.gov) and [www.nrcs.usda.gov](http://www.nrcs.usda.gov).

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## 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 the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

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## Rural Youth Loans

FSA 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 \$5000.

### Youth Loan Eligibility Requirements:

- Be a citizen of the United States (which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands) or a legal resident alien
- Be 10 years to 20 years of age
- Comply with FSA's general eligibility requirements
- Reside in a rural area, city or town with a population of 50,000 or fewer people
- Be unable to get a loan from other sources
- Conduct a modest income-producing project in a supervised program of work as outlined above
- Demonstrate capability of planning, managing and operating the project under guidance and assistance from a project advisor. <span style="mso-spacerun: yes"> </span>The project supervisor must recommend the project and the loan, along with providing adequate supervision.

Stop by the county office for help preparing and processing the application forms. The FSA staff can help you with questions you may have about a particular program.

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## **Sign Up for FSA Fence Post for Daily Updates**

The Farm Service Agency Fence Post is an online newsletter that is updated on an almost daily basis. It contains articles of interest on the agency's programs and departments, as well as success stories from the field. To access Fence Post visit <http://fsa.blogs.govdelivery.com/>. Producers can sign up for weekly Fence Post updates by putting an email address in box that says "Get Email Updates."

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### **Selected Interest Rates for July 2012**

90-Day Treasury Bill - 0.125%

Farm Operating Loans — Direct - 1.25%

Farm Ownership Loans — Direct - 3.0%

Farm Ownership Loans — Direct Down Payment, Beginning Farmer or Rancher - 1.5%

Emergency Loans - 2.25%

Farm Storage Facility Loans - 1.125 to 1.875%

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USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9450, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay).

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