



July 2008

Antrim/Otsego County News

Antrim-Otsego County
USDA Service Center

Antrim-Otsego County
FSA
108 Depot Street
Bellaire, MI 49615
231-533-8542 (phone)
231-533-6689 (fax)
www.fsa.usda.gov/

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

County Committee
Mark White, Chairperson
Barbara Fleming, Vice-
Chairperson
Roger Bolhuis, Member
John Makarewicz, Member
Deborah Milbocker,
Member

The County Committee
meets the second Friday
of each month.

County Executive Director
Kathy Y Kozlowski

Farm Loan Manager
James Monroe
231-941-0951 (phone)

County Office Staff
Kathy Johnson



2008 Farm Program Sign-up Announced

The Food, Conservation, and Energy Act of 2008 was enacted into law on May 22, 2008. The Act provides for continuing the Direct and Counter-Cyclical Program (DCP) for 2008 through 2012. The program for 2008 will be very similar to the program in 2002 – 2007; however, expect changes in 2009 – 2012.

* Sign-up began June 25 and ends September 30, 2008

* The advance Direct payment is 22%

* The one change for 2008 is that a farm having a total of 10.0 base acres or less will not receive DCP payments unless the farm is wholly owned by socially disadvantaged or a limited resource farmer.

Reminders

* You must have a signed rental agreement or the landowners signature on the DCP contract;

* All farmers who produce a crop on the base acres are entitled to share in the DCP payment. Landowners who do not have a risk in growing the crop are not eligible to receive a DCP payment.

* You must annually report the use of the farm's cropland acreage

* Comply with conservation and wetland provisions on all your land

* Protect all base acres from erosion and control weeds.

Report Crop Acreage

The annual, timely and accurate reporting of acres for all crops and land uses, including failed acreage, can prevent loss of benefits for a variety of Farm Service Agency programs. All cropland on the farm must be reported to receive benefits from the Direct and Counter-cyclical Program, marketing assistance loans and Loan Deficiency Payments. Conservation Reserve Program (CRP) acreage must be reported to receive annual rental payments and crop acreage for Non-insured Crop Disaster Assistance Program (NAP) must also be reported no later than August 15, 2008 or two weeks prior to harvest whichever occurs first.

Supplemental Disaster Assistance Programs for 2008

The 2008 Farm Bill appropriated for Supplemental Disaster Programs

- Supplemental Revenue Assistance Payments (SURE)
- Livestock Forage Disaster Program (LFP)
- Tree Assistance Program (TAP)
- Emergency Assistance for Livestock, Honey Bees, and Farm Raised Fish (ELAP)
- Livestock Indemnity Program (LIP)

For producers to be eligible they must purchase at least the CAT level of crop insurance for all insurable crops and/or NAP coverage for non-insurable crops. Sales closing dates have passed for 2008. However, farmers may obtain a waiver for 2008 only by paying an administrative fee of \$100 per crop not to exceed \$300 for the county or \$900 total for all counties. This buy-in fee is non-refundable and must be paid no later than September 16, 2008. Contact the office for more details.

FARM LOAN PROGRAM CHANGES

The new Farm Bill has brought changes to the regulations administering the Farm Loan Programs. We have received information regarding some of the changes but not all of them. Below is a listing of the changes we have received to date:

- The limit or the amount of outstanding Direct Farm Ownership Loans has been increased to \$300,000.00.
- The limit or the amount of outstanding Direct Operating Loans has been increased to \$300,000.00.

The Direct Down Payment Loan:

1. The down payment requirement has been reduced to 5%.
2. The interest rate has been changed to the regular Farm Ownership rate minus 4% or 1.5% whichever is higher.
3. The term of the loan has been extended to 20 years.
4. The maximum loan amount has been changed to 45% of the purchase price or 45% of the appraised value or \$225,000.00 whichever is lower.
5. The down payment loan program has been expanded so we can now make loans to members of Socially Disadvantaged groups and Beginning Farmers.

Beginning and Socially Disadvantaged 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 percent of the county's median size.

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

Additional information, loan applications, and other materials are available at your local USDA Service Center. You may also visit www.fsa.usda.gov.

Farm Changes and Reconstitutions

It is very important to report changes to us as soon as possible. A change in ownership or operator needs to be done prior to signing into any programs for the year the change occurs. In some cases, a reconstitution is required if it involves adding land or taking farms out of your farm unit. The deadline to request a reconstitution is August 1, 2008. If you think you may have this type of circumstance, please contact the office by August 1, 2008.

Conservation Reserve Program – SAFE

There is a new Continuous Conservation Reserve Program for Antrim County. The State Acres for Wildlife Enhancement (SAFE) signup started July 1, 2008. The CRP SAFE project provides diverse sources of nectar and pollen along with bare soil patches for ground nesting pollinators. Bees, butterflies, moths and other pollinators will benefit from this new CRP practice. The contracts run 10 to 15 years and provide annual rental payments as well as signing incentives, cost-share and practice incentives. The land must have been annually planted 4 out of the previous 6 years or be part of a working orchard or vineyard. There is a 2.0 acre or 100 feet minimum requirement for enrollment into this practice.

22 counties along Lake Michigan are eligible for this program. There is a 2,500 acre statewide limit for enrollment into this program.

Crop Disaster Program

Applications are still being accepted for losses incurred due to quantity and/or quality. To be eligible under the quantity, you must have suffered at least a 35 percent loss in production. To be eligible under quality, you must have suffered at least a 25 percent loss in quality.

If you are interested in applying under the quality part of CDP, you may now bring in verifiable documentation to show loss of quality and reduction in price. You also have the option to provide copies of market contracts which may show a higher price than the CDP price established. Only applications that had the crop insured through Risk Management (RMA) or Non-insured Disaster coverage (NAP) are eligible to receive benefits.

Bank Account Changes

All FSA payments are to be made by direct deposit unless there is a financial hardship to prevent it. Producers need to notify us when accounts change to prevent delay of payments.

USDA eGOV Initiative

eGOV provides USDA service Center Agencies (FSA, NRCS, RD) customers the option of electronically accessing, printing, filling out and submitting forms and program applications. To fully utilize eGOV capabilities producers set up their own account for electronic signature authority at www.eauth.egov.usda.gov. Once registered the producer visits the FSA office to activate his/her account and receive a password to conduct business electronically with USDA agencies. Current programs available through eGOV include loan deficiency payments, Direct and Counter Cyclical Program contracts, and financial inquiries that allow producers to track USDA payments and deposits.

Noninsured Crop Disaster Assistance Program

USDA's Farm Service Agency's (FSA) Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to producers of noninsurable crops when low yields, loss of inventory or prevented planting occur due to natural disasters.

NAP is available on those crops for which Catastrophic (CAT) insurance is not available. Coverage for NAP is 50% of your actual yield at 55% of the established price.

The cost of coverage is \$250.00 per crop up to \$750.00 per county or \$1,875 per producer for all counties. Please note that the cost of coverage had increased from previous years.

The 2009 NAP sales closing dates for value loss crops, forage crops, small grains and fruit crops has been extended to December 1, 2008 for this year.

IMPORTANT NOTE: 2009 NAP coverage will not attach until 30 days after the purchased date.

Reminders to NAP participants:

- Submit your 2008 production records when received, in order to keep your records updated.
- File a notice of loss within 15 days for an apparent loss/damaging weather event.
- Timely file acreage reports
- Notify the office of changes to orchards such as new plantings or removed trees.
- If you have any acreage that you will not harvest due to damage by a disaster condition, you must contact the office for an appraisal of the acreage before destruction. Failure to do so will result in loss of program assistance.

Foreign Buyers Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holding to the Secretary of Agriculture. Foreign persons who have purchased or sold land in the county are required to report transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25% of the fair market value of the property.

Sodbuster Regulations

The term "sodbusting" is used to identify the plowing up of erosion-prone grasslands for use as cropland. Sodbuster violations are the unauthorized tillage practices on highly erodible land, converted native vegetations such as rangeland or woodland, to crop production after December 23, 1985.

Farmers or ranchers should be aware that if they use highly erodible land for crop production without proper conservations measure, they risk losing eligibility to participate in Farm Service Agency programs.

Before producers clear, plow or otherwise prepare areas not presently under crop production for planting, they are required to file an AD-1026, indicating the area to be brought into production.

If Natural Resource Conservation Service (NRCS) indicates on CPA-026 that the area will be highly erodible land, the producer will be required to develop and implement a conservation plan on the affected acreage, before bringing land into production.

In addition, producers, and producer's affiliates have to file an AD-1026 with the staff in the administrative or control county office before any farm program payment can be made. The AD-1026 is the producer's signed certification that HELC, as well as wetland conservation provisions will not be violated.

Preventing Waste, Fraud & Abuse

The Farm Service Agency has joined with the Risk Management Agency to prevent fraud, waste and abuse in the Federal Crop Insurance Program. FSA has been, and will continue to assist RMA and insurance providers by monitoring crop conditions throughout the growing season. In addition, FSA will refer all suspected cases of fraud, waste and abuse to RMA.

Producers can report suspected cases to the county office staff, RMA office, or the Office of the Inspector General.

County Committee Elections

One of FSA's responsibilities is to conduct County Committee elections in an open manner that ensures accountability. FSA will provide local organizations representing socially disadvantaged groups with detailed information about the election process. The agency is reaching out to agricultural communities to get equitable representation on their county committees.

Agricultural producers in Local Administrative Areas (LAA) #3 which represents Custer, Elk Rapids, Forest Home, Helena, Kearney and Milton Townships, will be voting for their representative.

Agricultural producers in LAA #4, which represents Bagley, Elmira, Hayes, Livingston and Otsego Lake Townships, will be voting for their representative.

These representatives will serve on the Antrim/Otsego County Committee. Nominations forms must be postmarked or received by FSA no later than August 1, 2008.



Dates to Remember	
August 1st	Nomination due for COC
August 1st	Final date to request farm combinations or divisions (reconstitutions)
August 15th	Crop reporting deadline
September 1st	Labor Day. FSA Office Closed.
September 16th	Final date to purchase 2008 CAT/NAP buy-in waiver.
September 30th	Deadline for 2008 DCP Sign-up



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To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.