



**March 2008 volume #2**

# *Farmer's Digest*

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Arenac/Iosco County  
USDA Service Centers

Arenac County FSA  
4490 M-61  
Standish, MI 48658  
989-846-4565 (phone)  
989-846-9641 (fax)

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

Arenac County Committee  
Earl Steinbauer  
Carl Daniels  
Ed Stange

Arenac Advisor  
Brenda Golimbieski

Iosco County FSA  
190 M-55  
Tawas City, MI 48763  
989-362-3842 (phone)  
989-362-8382

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

Iosco County Committee  
Joe Vohwinkle  
Al Erickson  
Chris Daniels

Iosco Advisor  
Kim Wickert



## **Livestock Compensation Program**

The Livestock Compensation Program (LCP) has recently been implemented for producers in Arenac and Iosco counties. The LCP program is designed to compensate for loss of pasture or for increased feed purchases due to the 2007 crop year.

Interested producers need to have the number of livestock on hand as of April 1, 2007. Producers with pasture need to have an idea of the percentage of loss that occurred last year. Livestock producers that increased the amount of feed purchased are also eligible for compensation. We will need to have a copy of the increased purchased feed for 2007.

Dairy cattle are eligible for the increased feed portion of the program. However, beef cattle in a feedlot are not eligible for the Livestock Compensation Program.

To avoid longer waits please call and make an appointment.

## **Dairy Disaster Assistance Program**

Recent legislation approved the Dairy Disaster Assistance Program for Dairy producers in Arenac and Iosco counties. Sign up runs through **May 5, 2008**.

Requirements are that a producer's herd average be less per cow in 2007 than the base period of 2003 and 2004. You will need to bring in the number of cows milked in 2003, the number of cows milked in 2004 and the number of cows milked in 2007.

Additionally, we will need milk production records for 2003, 2004, and 2007.

## **New Employee**

Ruth Gulvas was recently hired at the Standish office. Next time you are in the office stop and say Hi.

## **CREP Sign Up**

Sign up for producers interested in CREP is on going and will continue until the acreage goal of 85,000 acres is met.

Eligible acreage must be in the Saginaw Bay watershed (this includes all of Arenac and parts of Iosco county) and have been cropped four out of the six years in 1996 through 2001. Acreage not meeting the cropping requirement may be eligible for the riparian buffer program of CREP.

**If you are interested please call the offices and set up an appointment.**

Eligible practices include:

- Filter strips
- Windbreaks
- Wetland restorations
- Riparian buffers

Contracts will be for 15 years and will include additional cost share and incentives on establishment from the state.

## **Controlled Substances**

Any person who is convicted under federal or state law of a controlled substance violation could be ineligible for USDA payments or benefits. Violations include planting, harvesting or growing a prohibited plant. Prohibited plants include marijuana, opium poppies and other drug producing plants



## 2008 Farm Bill

Information regarding the 2008 farm bill and the pending 2008 enrollment is still on hold. Some information has been received through press releases, articles, etc. but nothing has been finalized and enrollment options, dates and/or deadlines have not been established.

Please keep on eye on newsletters or other farm articles published regarding the final implementation of the farm bill provisions.

## Program Outreach

FSA is constantly striving to seek out persons from minority, female, and/or underrepresented groups to ensure they are informed of the agricultural services and programs that our offices administer. Any person of legal age who has an interest in a farm as an owner or operator is eligible to participate in FSA programs and to vote in the FSA county committee election process. If you or someone you know may be eligible for our programs or would like to be included in our mailings please contact your local FSA office for more information.



## Sodbuster Swampbuster

Most Farm Service Agency programs require compliance with sodbuster and swampbuster provisions. These provisions require producers to follow an approved conservation system on all highly erodible land planted to an annual crop as determined by the Natural Resources Conservation Service.

Be sure to have determinations made on any new land you plan to plant to annual crops. If you plan to plant a different crop on your current cropland, check with NRCS to assure the new crop will qualify under your conservation system.

Swampbuster provisions state that converting a wetland to make possible the planting of a crop will result in the loss of all USDA benefits. To avoid this possibility it is strongly recommended that producers check with NRCS before starting to work in the fields.



## Flexible or Cash Lease

Producers should be careful to differentiate between flexible leases and cash leases when reporting to the Farm Service Agency (FSA).

Flexible leases, in which the producer pays a base rent, and offers a bonus on yield and/or price increase to a landowner, are considered by the Farm Service Agency as share leases. Cash leases specifying a fixed amount, not subject to changes from yield or price are common and the norm across the country. Flexible or hybrid leases are now coming to the attention of FSA.

Each year FSA participants complete form CCC-502 Continuation Sheet for Leased or Owned Land which are subject to spot check. Paying more than what the original lease specifies may violate a producer's CCC-502, if not completed correctly. A violation could make an operator ineligible for Direct Counter-cyclical Payments (DCP).

Example: A lease that is for \$100 acre plus an additional \$40 per acre if the crop exceeds \$4/bushel or 170 bushels corn/acre or \$7/bushel or 40 bushels of soybeans per acre is by FSA procedure a share lease. FSA procedure states that, a lease is a share lease if the lease bases the amount of rent on the quantity of crop produced or the proceeds from the crop, or the interest a producer would have if the crop had been produced.



## Prevented Planting Provisions

Crops prevented from being planted must be reported to FSA within 15 days of the final planting date to ensure eligibility and to maintain crop history. The following lists the final planting dates:

- |                    |                          |
|--------------------|--------------------------|
| • Wheat            | October 25 <sup>th</sup> |
| • Oats             | May 20 <sup>th</sup>     |
| • Sugar Beets      | May 20 <sup>th</sup>     |
| • Corn             | June 5 <sup>th</sup>     |
| • Soybeans         | June 15 <sup>th</sup>    |
| • Dry Edible Beans | June 25 <sup>th</sup>    |



## Acreage Reporting

Acreage reporting time will soon be here. Please remember that filing an accurate acreage report for all crops and land uses, including failed acreage and prevented planting acreage, can prevent the loss of benefits for a variety of programs.

Failed acreage must be reported within 15 days of the disaster event and before disposition of the crop. Prevented planting must be reported no later than 15 days after the final planting date.

Acreage reports are required for many Farm Service Agency programs. For crops other than NAP (Noninsured Crop Disaster Assistance Program) crops, acreage reports are to be certified by the June 30, 2008 deadline on fall seeded small grains and a July 15, 2008 deadline on all other crops.



Acreage reports on crops for which NAP assistance may be paid are due in the county office by the earlier of June 30, 2008 for fall seeded small grains and July 15, 2008 for all other crops, or 15 calendar days before the onset of harvest or grazing of the specific crop acreage being reported.

## Beware of Crop Insurance Rebating Schemes

With the spring sales closing date for many Federal crop insurance policies right around the corner, crop insurance agents have stepped up their marketing efforts. The Risk Management Agency (RMA) has received reports from producers and agents that some aggressive marketers have been approaching producers with rebate offers. These schemes promise lower insurance premiums, refunds, dividends, or items of value tied to crop insurance purchases. Most of these activities are illegal.



RMA reminds all Federal crop insurance program participants that it is now coordinating with state regulators to take appropriate regulatory action against all those who are found to promote or participate in such schemes. Producers who are found to participate in illegal rebating activities will not only lose

their crop insurance coverage but will also lose eligibility in all USDA programs. Producers and agents can report suspicions of illegal rebating to the OIG Hotline: **1-800-424-9121**

## Changes in Your Operation

It is important that you contact the office as soon as practical with any changes that have occurred in your farming operation. Changes may include, but are not limited to:

- **Address** - Contact information, as well as any temporary address change.
- **Direct Deposit** - Changes in banking information to ensure timely payments.
- **Development** - New parcels of land removed for houses or other non-agricultural purposes.
- **Owner/Operator Changes** - Changes in land ownership, tenants or crop share arrangements.
- **Reconstitutions** - Farm combinations or separations due to sale of land or change in operators.
- **Farm Operating Plan** - April 1, 2008 is the deadline for filing new farm operating plans for entities and joint operations, such as Corporations, Limited Liability Corporations, Limited Liability Partnerships, Trusts, Estates, Sole Proprietorships, General Partnerships, and Joint Ventures.

## 2007-Crop Commodity Loans Available

Marketing assistance loans provide producers interim financing at harvest time to meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. Loans mature on the last day of the ninth calendar month following the month in which the loan is approved. Contact your local office for more information.



**CROP DISASTER PROGRAM CHANGES**

The Farm Service Agency, Crop Disaster Program was announced in the November/December 2007 newsletter. Changes to the program have since then been announced. Producers who suffered crop losses due to damaging weather or other related conditions for crop years 2005, 2006 and the **entire crop year of 2007** on crops insured through RMA or NAP policies are now eligible. Losses must be in excess of 35% for quantity and/or 25% for quality losses.

For additional details, contact your local Farm Service Agency Office.

Dates to Remember	
May 5	Dairy sign up ends
June 30	Last day to certify small grains
July 15	Last day to certify crops
Continues	Farm Storage Facility loans
Continues	Continuous CRP and CREP

**Special Accommodations**

Special accommodations will be made for the physically impaired, visually or hearing impaired upon request.



**FAILED ACREAGE PROVISIONS**

Farm Service Agency procedure states that you must report failed acreage at the time of disaster occurrence. This report will protect farm history and allows FSA to reconcile acreage requests from Risk Management Agency (Crop Insurance). Please timely file any potential crop losses and/or failed crop acreage timely.

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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.