



# NEWSLETTER



January 2012

**Baraga  
Houghton  
Keweenaw  
Ontonagon  
Gogebic County  
FSA Office**

16403 Ojibwa Industrial  
Park Rd  
Baraga MI 49908-9085

906 353 8225- phone  
906 353 8231-fax  
[www.fsa.usda.gov](http://www.fsa.usda.gov)

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

**Office Staff**  
Tammy Clisch  
Mike Lewis, Field  
Bruce Stephenson, Farm  
Loan  
Susan DeVoe, CED

**County Committee**  
Bruce King  
Norm Shimp  
Joe Robillard  
Glen Longtin  
Butch Semmerling

**Advisor**  
Roger Duschene

## 2011 FSA County Committee County Committee Election Results

Congratulations to Glen Longtin!  
Glen was elected to represent farmers from LAA 4 – Ontonagon County and Duncan Township in Houghton County. Glen was elected to his 1<sup>st</sup> 3 year term. Clifford Lindberg was elected as 1<sup>st</sup> alternate and will attend County Committee meetings when Glen is unable. August (Butch) Semmerling from Gogebic County was re-elected to serve another 3 year term.

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

The committee members will hold their organizational meeting in February to determine who will serve as Chairman, Vice Chair & regular members.

## 2012 DCP/ACRE Sign-up

2012 Direct and Counter-Cyclical Program (DCP) enrollment will begin Jan. 23, 2012 and will end June 1, 2012. Here are some IMPORTANT REMINDERS:

- All producers planting on **DCP base** acres must be identified on the DCP/ACRE contract and receive a proportionate share of DCP/ACRE payment for the farm.
- Changes on the farm after enrolling June 1<sup>st</sup> in DCP/ACRE **must** be reported to your local FSA office such as:
  - Ownership changes
  - Producer changes (Individuals and Entities)
  - Change in crop shares arrangements

**Note:** Changes cannot be made after Sept. 30, 2012.

## Supplemental Revenue Assistance Program (SURE)

The sign-up for 2010 losses runs through **June 1, 2012.**

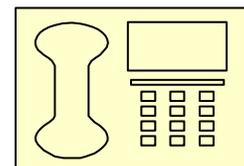
The Supplemental Revenue Assistance Program (SURE) provides benefits for farm revenue losses due to natural disasters that incurred in the crop year 2010. SURE is available to eligible producers on:

- Farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred crop production or quality losses, or both, and includes all crops grown by a producer nationwide, except grazed crops.
- Any farm in which, for the crop year, the actual production on the farm because of disaster-related conditions is 50 percent or less than normal production of the farm.

## Noninsured Crop Disaster Assistance Program (NAP)

The noninsured crop disaster assistance program (NAP) is a program that helps producers reduce their risk when growing food and fiber crops, specialty crops and crops for livestock feed. These benefits are only available for crops for which the catastrophic level of crop insurance is not available. Application for coverage must be filed by the applicable crop's application closing date.

Production records for all crops must be reported to FSA no later than the acreage reporting date for the crop for the following year. FSA requires that any production reported in a loss year be verifiable according to Agency specifications. *NAP Losses must be reported within 15 days of loss.*



## **LDPs for Unshorn Lamb Pelts**

Eligible producers have until Jan. 31, 2012, to apply for Loan Deficiency Payments (LDP) for unshorn pelts produced during the 2011 crop year.

Eligible producers must have beneficial interest in the pelts, owned the lamb for at least 30 calendar days before the date of slaughter and sell the unshorn lamb for immediate slaughter. Producers must also comply with wetland conservation and highly erodible land conservation provisions on all lands they operate or have interest in. To qualify for payment, pelts must have been produced by an eligible producer from live unshorn lambs of domestic origin in the United States.

## **Bank Account Changes**

Current policy mandates that FSA payments be electronically transferred into your bank account. Avoid delays in your electronic deposits by notifying the FSA office if the account has been changed or if another financial institution purchases your bank.

## **Foreign Buyers Notification**

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

All individuals who are not U.S. citizens, and have purchased or sold agricultural land in the county are required to report the transaction to FSA with 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, Realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

## **Farming Operation Changes**

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

## **Designation by Landowner Method**

This division of crop base acres can be used when (1) part of a farm or tract is sold or ownership is transferred, (2) an entire farm is sold or transferred to two or more persons. The land must have been owned for at least 3 years or a waiver is granted, and the buyer and seller sign a memorandum of understanding as to how the crop base acres should be split up. Call the office for details.

## **Highly Erodible Land and Wetland Conservation Compliance**

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

## **Power of Attorney**

For those who find it difficult to visit the county office personally because of work schedules, distance, health, etc., FSA has a power of attorney form available that enables you to designate another person to conduct your business at the office. If you are interested, contact any Farm Service Agency office near you for more information.

## **Farm Loan Programs**

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 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 has increased from 1 percent to 1.5 percent of the guaranteed portion of the loan, for loans obligated after October 1, 2011.

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

## FSA Signature Policy

Husbands and wives may sign documents on behalf of each other for FSA and Commodity Credit Corporation programs in which either has an interest. This option is automatically available unless a written request for exclusion is made to the county office staff by either spouse.

There are exceptions to the rule, where spouses may not sign on behalf of each other for partnerships, joint ventures, corporations or other similar entities.

Individual signatures are also required on certain Farm Loan Program and Farm Storage Facility Loan documents.

For more clarification, contact your local FSA office.

## Controlled Substance

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.

## FSA Electronic Newsletter

The USDA Farm Service Agency offices are moving toward a paperless operation which is called Gov-Delivery.

Producers are asked to enroll in the new GovDelivery system which will provide notices, newsletters and electronic reminders instead of a hard copy through the mail.

FSA, like many other organizations, is trying to work smarter and be more efficient. Moving to electronic notifications via email will help conserve resources and save taxpayer dollars.

County Committee ballots will continue to be mailed to all eligible producers.

Producers can now subscribe to receive free e-mail updates by going to <http://www.fsa.usda.gov/subscribe>.

## Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if you regain beneficial interest.

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, disposing or feeding the loan collateral without prior authorization. Providing an incorrect quantity certification is also a loan violation.

## Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff.

## IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

## 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.

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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PRESORTED STANDARD  
 U.S. POSTAGE PAID  
 Lansing MI  
 PERMIT #19

<b>Selected Interest Rates for January 2012</b>	
Farm Operating - Direct	1.5%
Farm Operating – Limited Resource	5.0%
Farm Ownership - Direct	3.5%
Farm Ownership - Limited Resource	5.0%
Emergency Loans	3.75%
Farm Storage Facility – 7 year	1.375%
Commodity Loans – 9 month loans	1.125%

<b>Dates to Remember</b>	
Mar 15	NAP Sales Closing for Spring Planted Crops
Jan. 23	2012 DCP Enrollment begins
Jan. 30	Sign-up ends Jan. 30, 2012, for LFP, LIP, and ELAP.
Jan. 31	Deadline to apply for Unshorn Lamb Pelts Loan Deficiency Payment

USDA is an equal opportunity provider and employer.