



NEWSLETTER



January 2012

Huron County Farm Service Agency

1460 S. Van Dyke Road
Bad Axe, Michigan 48413

989.269.9549 (phone)
989.269.8421 (fax)

Website
www.fsa.usda.gov/mi

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

County Committee

Ken Koroleski
Chris Grekowicz
Robert Krohn
Lisa Szymanski

Farm Program Staff

Becky Aubuchon
Douglas Gay
Connie Mattice
Maggie Roggenbuck
Susan Sauer

Nathan Prill, Director

Farm Loan Staff

Ava Hacker
Wendy Honoway

Angela Herford, Manager

County Committee Election Results

Congratulations to Robert Krohn! Mr. Krohn was elected to represent farmers from Grant, Brookfield, Sebewaing, Fair Haven, Winsor, Oliver, Chandler, McKinley, Caseville, and Lake Townships on the Huron County FSA Committee. The election results for Local Administrative Area #1 are:

*Robert Krohn — elected to the county committee (COC)

*Corey Oeschger — 1st alternate to COC

*Joel Fritz — 2nd alternate to COC

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.

FSA Adopting GovDelivery

The USDA Farm Service Agency offices are moving toward a paperless operation.

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>.

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.

- Farm Record Updates for tracts enrolled 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: There will be no DCP/ACRE advance payment for 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.



**Lease
Requirements for
DCP and ACRE
Contracts:**

Leases must
contain:

- The type of lease (cash, share, etc)
 - Landowner name, signature, and date
 - Farm operator name, signature and date
 - Length of lease (list number of years with start date)
- *A statement that allows the operator to combine the land with other land he/she works, is helpful (not required), especially if you plant dry beans or other Fruit and Vegetable (FAV) Crops.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers [1.125% fixed for 9 Months] who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Once beneficial interest in a commodity is lost [e.g. sold, fed], the commodity is ineligible for loan — even if you regain beneficial interest.

Unauthorized Disposition of Grain under Loan

If loan grain has been sold, fed, or disposed of in any manner without prior written authorization (Marketing Authorization) from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe. Always call the office before any grain under loan is fed or sold.

Farm Storage Facility Loan Program (FSFL)

Low cost financing for storage facilities is available for qualifying producers to build or remodel farm storage facilities for a variety of commodities, including wheat, soybeans, corn, hay, renewable biomass, and cold storage for fruits and vegetables. The interest rate used for the loan is set when the loan is approved.

Loan terms of 7, 10 and 12 years are available for the purchase and installation of new, eligible storage facilities, permanently affixed drying and handling equipment, or for new components used to remodel existing facilities. Eligible facilities include conventional type bins or cribs, new oxygen-limiting upright and bunker silos, new permanently affixed structures suitable for storing hay and renewable biomass, and new cold storage facilities suitable for storing the fruits and vegetables produced by the borrower.

Maximum Loan limit is \$500,000. A mortgage is required on all amounts over \$50,000. Sign-up is continuous, as long as funds are available.

Loan terms: \$100,000 or less = 7 years / \$100,000.01 - \$250,000 = 7 or 10 yrs/
\$250,000.01 - \$500,000 = 7, 10 or 12 yrs

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 within 90 days of the closing. Failure to submit the AFIDA form (FSA-153) could result in civil penalties of up to 25% 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.

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 USDA payments.**

Thinking of Planting Fruits or Vegetables in 2012?

In some cases, producers enrolled in the Direct and Counter Cyclical Program (DCP) may not plant Fruits and/or Vegetables (FAV) on base acres enrolled in DCP without penalty. In Huron County, planted Dry Edible Bean acres fall under FAV rules.

However - Fruits and Vegetables may be planted:

- On a farm with a history of planting fruits and vegetables
- If the producer has an established history of planting a specific fruit or specific vegetable

Note: DCP and ACRE payments will be reduced on a per acre basis depending on the base acreage planted to a fruit or vegetable.

ANNUAL PAYMENT LIMITATION NOTICE

Payment limitations per person for 2012 (no change from previous year):

- \$40,000 for Direct Payments (DCP);
- \$65,000 for Counter Cyclical Payments (DCP) and ACRE payments;
- \$50,000 for CRP;
- No limits for market gains and LDP's;
- \$100,000 for Disaster Assistance Programs;
- \$100,000 for NAP.



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 on spousal signature authority, contact your local FSA office.

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.

Huron County FSA Office
1460 S. Van Dyke Road
Bad Axe, Michigan 48413



PRESORTED STANDARD
U.S. POSTAGE PAID
Lansing, Michigan
PERMIT #19



Bank Account Changes

Current policy mandates that FSA payments be electronically transferred into your bank account. For timely payments to be made, producers need to notify the FSA office if the account has been changed or if another financial institution purchases your bank. Payments can be delayed if the FSA office is not aware of updates to your account and routing numbers.

Dates to Remember	
January 23	DCP/ACRE Sign-up Begins
February 20	Washington's Birthday - Office Closed
March 15	Sales closing date for Crop Insurance
May 31	Final date to request corn & soy bean loans.
June 1	DCP/ACRE Sign-up Closes
June 30	Crop Certification Deadline for Wheat and Small Grains
July 15	Certification Deadline for all other crops including: Corn, Beans, CRP, & Alfalfa

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.

Visit our Web site at:
www.fsa.usda.gov/mi

The U.S. Department of Agriculture (USDA) prohibits discrimination in all of its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotope, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

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 20250-9410, 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). USDA is an equal opportunity provider and employer.