#### December 2017





## Farm Service Agency Electronic News Service

# NEWSLETTER

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# Michigan FSA Newsletter

# Michigan Farm Service Agency

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# **State Executive Director:** Joel Johnson

State Committee:

Cheryl Kobernik, Chair Art Lister, Jr. Annette Magda Dr. Eddie Moore Robert Walther

#### **Division Chiefs:**

David Russ, Farm Loan Greg Todd, Prod. Adjustment Ken Schapman, Price Sppt. Dale Allen, Conservation

To find contact information for your local office go to <a href="https://www.fsa.usda.gov/mi">www.fsa.usda.gov/mi</a>.

### **Note from the State Executive Director**

Hello, Michigan farmers and ranchers. I'm Joel Johnson, your new State Executive Director for Farm Service Agency (FSA).

I grew up on a beef and cash crop farm in Merrill. My career has been in agricultural business and the Michigan Legislature, where I was Chairman of the House Committee on Workforce and Talent Development and served on the Agriculture, Commerce, Judiciary, Tourism and Outdoor Recreation, Natural Resources, Financial Services, and Insurance committees. My wife, Dawn, and I have four adult children and 11 grandchildren. Today we still background a few cattle on our small farm in Clare.

My role here at FSA is to guide our Michigan-based work force of over 230 specialists in administering programs to serve our farmers and ranchers professionally, efficiently, equitably and in a manner that is customer, taxpayer and employee friendly.

This month we implemented a multi-day training initiative for all FSA program technicians. The training provides program technicians with additional tools and skills for enhancing teamwork, inclusiveness, transparency and fiscal stewardship. Our goal is to evaluate and improve our program delivery over the coming year to provide the best service to you, our customers.

It is a pleasure to work with our knowledgeable and dedicated FSA staff across the state. It is a privilege to serve the farmers and ranchers of Michigan. Together we work hard to keep America's agriculture growing.

### **Just Around the Corner**

December 15: MPP Dairy enrollment deadline

December 21: Census of Agriculture responses due

**December 25:** Offices closed for Christmas Day

January 1: Newly elected County Office Committee members take office

January 1: Offices closed for New Year's Day

January 15: Acreage report deadline for crop year 2018 perennial fruits

January 15: Offices closed for Martin Luther King, Jr.'s birthday

**February 1:** NAP application closing date for onions.

February 19: Offices closed for Washington's Birthday

The dates here are provided for general reference. Some areas and crops may have dates that differ from the general guidelines above. It is the producer's responsibility to personally verify deadlines applicable to each farm's crops with their local Farm Service Agency county office.

## Census of Agriculture Responses Due Feb. 5

Earlier this month farmers and ranchers across the nation received the 2017 Census of Agriculture, and responses are due by Feb. 5. Producers can mail in their completed census form, or respond online via the improved web questionnaire. The online questionnaire has been revised extensively to make it more convenient for producers.

Conducted once every five years, the census of agriculture is a complete count of all U.S. farms, ranches, and those who operate them; it is the only source of uniform, comprehensive, and impartial agriculture data for every state and county in the nation.

Farmers and ranchers, trade associations, government, extension educators, researchers, and many others rely on census of agriculture data when making decisions that shape American agriculture – from creating and funding farm programs to boosting services for communities and the industry. The census of agriculture is a producer's voice, future, and opportunity.

For more information about the 2017 Census of Agriculture, visit www.agcensus.usda.gov or call (800) 727-9540.

### **Financial Hardship and Loan Servicing**

Many farm loan borrowers' payments are due on Jan. 1. FSA expects and encourages prompt payment. However, for borrowers who cannot make their payments due to adversity such as a natural disaster or production difficulties beyond their control, FSA is committed to providing our farm loan borrowers with the tools necessary to be successful.

A part of ensuring this success is providing guidance and counsel from loan or loan servicing application, through the term of your loan, and after. In order for FSA to help, you must alert your local FSA office to any of the following:

- Any proposed or significant changes in the farming operation
- Any significant changes to family income or expenses
- The development of problem situations
- Any losses or proposed significant changes in security

There are options for FSA loan customers during financial stress. If you are a borrower who is unable to make payments on a loan, contact your local FSA Service Center to learn about the options available to you.

If past due on payments, FSA will notify you of your options with a Notice of Availability of Loan Servicing. Please pay special attention to this notice as it provides you with your options for FSA servicing programs and outlines specific deadlines that you must meet. Failure to meet these statutory deadlines may significantly limit your options and FSA's ability to help address your farm's financial difficulties.

For more information on FSA farm loan programs, visit <a href="www.fsa.usda.gov">www.fsa.usda.gov</a>. Please contact your local FSA Service Center if you have any questions or would like to schedule an appointment to meet with the loan staff to discuss your options.

### Filing a Notice of Loss

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), 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 or 15 calendar days after the normal harvest date.

Producers of hand-harvested crops must notify FSA of damage or loss through the administrative County Office within 72 hours of the date of damage or loss first becomes apparent. This notification can be provided by filing a CCC-576, email, fax or phone.

Producers who notify the County Office by any method other than by filing the CCC-576 are still required to file a CCC-576, Notice of Loss, within the required 15 calendar days.

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.

### **Environmental Review Required Before Project Implementation**

The National Environmental Policy Act (NEPA) requires Federal agencies to consider all potential environmental impacts for federally-funded projects before the project is approved.

For all Farm Service Agency (FSA) programs, an environmental review must be completed before actions are approved, such as site preparation or ground disturbance. These programs include, but are not limited to, the Emergency Conservation Program (ECP), Farm Storage Facility Loan (FSFL) program and farm loans. If project implementation begins before FSA has completed an environmental review, this will result in a denial of the request. There are exceptions regarding the Stafford Act and emergencies. It is important to wait until you receive written approval of your project proposal before starting any actions, including, but not limited to, vegetation clearing, site preparation or ground disturbance.

Remember to contact your local FSA office early in your planning process to determine what level of environmental review is required for your program application so that it can be completed timely.

Applications cannot be approved contingent upon the completion of an environmental review. FSA must have copies of all permits and plans before an application can be approved.

### **Payments to Deceased Producers**

In order to claim a Farm Service Agency (FSA) payment on behalf of a deceased producer, all program conditions for the payment must have been met before the applicable producer's date of death.

If a producer earned a FSA payment prior to becoming deceased, the following is the order of precedence of the representatives of the producer:

- · administrator or executor of the estate
- the surviving spouse
- surviving sons and daughters, including adopted children
- · surviving father and mother
- surviving brothers and sisters

heirs of the deceased person who would be entitled to payment according to the State law

In order for FSA to release the payment, the legal representative of the deceased producer must file a form FSA-325, to claim the payment for themselves or an estate. The county office will verify and determine that the application, contract, loan agreement, or other similar form requesting payment issuance, was signed by the applicable deadline for such form, by the deceased or a person legally authorized to act on their behalf at that time of application.

If the application, contract or loan agreement form was signed by someone other than the participant who is deceased, FSA will determine whether the person submitting the form has the legal authority to submit the form to compel FSA to pay the deceased participant.

Payments will be issued to the respective representative's name using the deceased program participant's tax identification number. Payments made to representatives are subject to offset regulations for debts owed by the deceased.

FSA is not responsible for advising persons in obtaining legal advice on how to obtain program benefits that may be due to a participant who has died, disappeared or who has been declared incompetent.

### **December 2017 Interest Rates**

### Farm Ownership and Farm Operating Loans:

Farm Operating - Direct: 2.875%

Farm Ownership - Direct: 3.750%

• Farm Ownership - Direct, Joint Financing: 2.500%

• Farm Ownership - Down Payment: 1.500%

Emergency Loan - Amount of Actual Loss: 3.750%

#### **Crop Year 2017 Commodity Loans:**

• Crop year commodity loans less than 1 year: 2.500% per annum

• CCC borrowing rate-base interest charges: 1.500% per annum

#### Farm Storage Facility Loans:

3 year loan terms: 1.750% per annum

5 year loan terms: 2.000% per annum

7 year loan terms: 2.250% per annum

• 10 year loan terms: 2.375% per annum

• 12 year loan terms: 2.375% per annum

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