

July 2018



Farm Service Agency **Electronic News Service**

# NEWSLETTER

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## Michigan FSA Newsletter

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#### Division Chiefs:

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Greg Todd, Prod. Adjustment  
Ken Schapman, Price Spt.  
Dale Allen, Conservation

To find contact information for your local office go to [offices.usda.gov](http://offices.usda.gov).

### Note from the Conservation Chief

Eligible Michigan producers and landowners have until Aug. 17 to enroll into the continuous Conservation Reserve Program (CRP), certain CRP contract extensions and the new Michigan SAFE entitled the Southern Michigan Pheasant and Monarch Recovery. These programs are a great opportunity to protect Michigan's sensitive soil and water resources and improve habitat for many of our declining pollinator and wildlife species.

For this year's signup, limited priority practices are available for continuous enrollment. They include grassed waterways, filter strips, riparian buffers, wetland restoration and others. [View a full list of practices](#). Certain working grasslands are also now eligible to be enrolled under CRP.

In addition, FSA is accepting offers from rural landowners in [41 southern Michigan counties](#) who want to restore pollinator and wildlife habitat on their property with the help of the USDA Conservation Reserve Program (CRP) State Acres for Wildlife Enhancement (SAFE) Southern Michigan Pheasant and Monarch Recovery.

CRP SAFE Southern Michigan Pheasant and Monarch Recovery is a federally-funded, voluntary program that assists agricultural producers and landowners with the cost of increasing diverse native grassland and wetland habitat for species such as the monarch butterfly, ring-necked pheasant, grasshopper sparrow, Henslow's sparrow and mallard.

We have a short window of time to accept applications for this CRP and SAFE signup, as FSA must receive all submissions by Aug. 17, 2018. I encourage interested producers to contact your [local USDA Service Center](#) for more information about these programs and to submit your applications before the deadline.

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## Just Around the Corner

**July 15:** Acreage reporting deadline for spring planted feed grain crops, CRP, and most other crops

**August 1:**

- ARC/PLC deadline for 2018 annual enrollment applications
- Farm records deadline to request farm transfer and reconstitution
- COC elections nomination period closes

**August 17:** CRP signup 51 deadline to sign offer for enrollment

**September 1:** NAP coverage application closing date for value loss crops

**September 30:**

- Acreage reporting deadline for value loss crops
- NAP coverage application closing date for fall planted small grains, including spring planted barley and oats/pea mix, biannual and perennial grasses for hay and grazing, alfalfa, clover and mixed forages
- 2018 fiscal year concludes

**October 1:** 2019 fiscal year begins

**October 8:** Offices closed for Columbus Day

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.

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## USDA Enrollment Period for Safety Net Coverage in 2018

Farmers and ranchers with base acres in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) safety net program may enroll for the 2018 crop year. The enrollment period will end on Aug. 1, 2018.

**Since shares and ownership of a farm can change year-to-year, producers must enroll by signing a contract each program year.**

The producers on a farm that are not enrolled for the 2018 enrollment period will not be eligible for financial assistance from the ARC or PLC programs for the 2018 crop should crop prices or farm revenues fall below the historical price or revenue benchmarks established by the program. Producers who made their elections in previous years must still enroll during the 2018 enrollment period.

The ARC and PLC programs were authorized by the 2014 Farm Bill and offer a safety net to agricultural producers when there is a substantial drop in prices or revenues for covered commodities. Covered commodities include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed, wheat and seed cotton. For more details regarding these programs, go to [www.fsa.usda.gov/arc-plc](http://www.fsa.usda.gov/arc-plc).

For more information, producers are encouraged to visit their local FSA office. To find a local FSA office, visit <http://offices.usda.gov>.

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## Grain Storage and Disposition

### Maintaining the Quality of Farm-Stored Loan Grain

Bins are ideally designed to hold a level volume of grain. When bins are overfilled and grain is heaped up, airflow is hindered and the chance of spoilage increases.

Producers who take out marketing assistance loans and use the farm-stored grain as collateral should remember that they are responsible for maintaining the quality of the grain through the term of the loan.

## Unauthorized Disposition of Grain

If loan grain has been disposed of through feeding, selling or any other form of disposal without prior written authorization from the county office staff, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and a producer's name will be placed on a loan violation list for a two-year period. Always call before you haul any grain under loan.

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## Eligibility for Nominations for the 2018 County Committee Elections

The U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) county committees are a critical component of the day-to-day operations of FSA and allow grassroots input and local administration of federal farm programs.

Committees are comprised of locally elected agricultural producers responsible for the fair and equitable administration of FSA farm programs in their counties. Committee members are accountable to the Secretary of Agriculture. If elected, members become part of a local decision making and farm program delivery process.

A county committee is composed of three to 11 elected members from local administrative areas (LAA). Each member serves a three-year term. To be eligible for nomination and hold office as a committee member or alternate, a person must fulfill each of the following requirements:

- be a producer with an interest in farming or ranching operations,
- participate or cooperate in any FSA program provided for by law,
- be a U.S. citizen,
- be of legal voting age,
- meet the basic eligibility requirements, and
- reside in the county or multi-county jurisdiction in which they will be serving.

All nomination forms for the 2018 election must be postmarked or received in the local USDA service center by Aug. 1, 2018. For more information on FSA county committee elections and appointments, refer to the FSA fact sheet: Eligibility to Vote and Hold Office as a COC Member available online at: [www.fsa.usda.gov/elections](http://www.fsa.usda.gov/elections).

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## USDA Offers Targeted Farm Loan Funding for Underserved Groups and Beginning Farmers

The USDA Farm Service Agency (FSA) reminds producers that FSA offers targeted farm ownership and farm operating loans to assist underserved applicants as well as beginning farmers and ranchers.

USDA defines underserved applicants as a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For farm loan program purposes, targeted underserved groups are women, African Americans, American Indians and Alaskan Natives, Hispanics and Asians and Pacific Islanders.

Underserved or beginning farmers and ranchers who cannot obtain commercial credit from a bank can apply for either FSA direct loans or guaranteed loans. Direct loans are made to applicants by FSA. Guaranteed loans are made by lending institutions who arrange for FSA to guarantee the loan. FSA can guarantee up to 95 percent of the loss of principal and interest on a loan. The FSA guarantee allows lenders to make agricultural credit available to producers who do not meet the lender's normal underwriting criteria.

The direct and guaranteed loan program provides for two types of loans: farm ownership loans and farm operating loans. In addition to customary farm operating and ownership loans, FSA now offers Microloans through the direct loan program. The focus of Microloans is on the financing needs of small, beginning farmer, niche and non-traditional farm operations. Microloans are available for both ownership and operating finance needs. To learn more about microloans, visit [www.fsa.usda.gov/microloans](http://www.fsa.usda.gov/microloans).

To qualify as a beginning producer, the individual or entity must meet the eligibility requirements outlined for direct or guaranteed loans. Additionally, individuals and all entity members must have operated a farm for less than 10 years. Applicants must materially or substantially participate in the operation.

For more information on FSA's farm loan programs and targeted underserved and beginning farmer guidelines, visit [www.fsa.usda.gov/farmloans](http://www.fsa.usda.gov/farmloans).

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## **Interest Rates - July 2018**

### **Farm Ownership and Farm Operating Loans**

- Farm Operating - Direct: 3.875%
- Farm Ownership - Direct: 4.125%
- 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**

- CCC borrowing rate-base interest charges: 2.250% per annum
- Crop year commodity loans less than 1 year: 3.250% per annum

### **Farm Storage Facility Loans**

- 3 year loan terms: 2.625% per annum
- 5 year loan terms: 2.750% per annum
- 7 year loan terms: 2.875% per annum
- 10 year loan terms: 2.875% per annum
- 12 year loan terms: 3.000% per annum

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USDA is an equal opportunity provider, employer and lender. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).