

September 2018



Farm Service Agency **Electronic News Service**

NEWSLETTER

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Michigan FSA Newsletter

Michigan Farm Service Agency

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To find contact information for your local office go to offices.usda.gov.

We're Hiring!

FSA is hiring four County Operations Trainees in Michigan. Applications will be accepted online at [USA Jobs](#) through Sept. 25, 2018.

County Office Trainees are full-time employees that serve at the basic trainee level and follow a prescribed program designed to provide managerial and program training necessary for advancement to a County Executive Director position.

A County Office Trainee may be assigned to any County FSA Office for training purposes. Depending upon agency needs, candidates will be expected to relocate within the state when the training program is complete.

County Offices are the direct link between the Farm Service Agency and local farmers and ranchers. County Offices are responsible for administering Agency programs at the local level, for providing guidance and assistance to program participants and others, and for leading outreach efforts to inform the public about FSA programs.

FSA is an exciting and rewarding place to start, build and/or continue your career. Be part of our team and support the well-being of American agriculture and the American public.

To find more information or submit an application, visit the online USA Jobs posting at <https://www.usajobs.gov/GetJob/ViewDetails/509960400>.

Just Around the Corner

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

November 12: Offices closed for Veterans Day Observance

November 20: NAP application closing date for most perennial fruits and nuts

November 15: Acreage reporting deadline for fall seeded grains and forages

November 22: Offices closed for Thanksgiving 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.

USDA Launches Trade Mitigation Programs

USDA launched the trade mitigation package aimed at assisting farmers suffering from damage due to unjustified trade retaliation by foreign nations. Producers of certain commodities can now sign up for the Market Facilitation Program (MFP). USDA provided details in August of the programs to be employed.

USDA's Farm Service Agency (FSA) will administer the Market Facilitation Program (MFP) to provide payments to corn, cotton, dairy, hog, sorghum, soybean, and wheat producers. An announcement about further payments will be made in the coming months, if warranted. USDA is currently working to determine how to address market disruptions for producers of almonds and sweet cherries.

The sign-up period for MFP is now open and runs through Jan. 15, 2019, with information and instructions provided at www.farmers.gov/mfp. MFP provides payments to cotton, corn, dairy, hog, sorghum, soybean, and wheat producers who have been significantly impacted by actions of foreign governments resulting in the loss of traditional exports. Eligible producers should apply after harvest is complete, as payments will only be issued once production is reported.

A payment will be issued on 50 percent of the producer's total production, multiplied by the MFP rate for a specific commodity. A second payment period, if warranted, will be determined by the USDA.

Market Facilitation Program Commodity Est. Initial Payment**

- Cotton: \$0.06/lb.
- Corn: \$0.01/bu.
- Dairy: (milk) \$0.12/cwt.
- Pork: (hogs) \$8.00/head
- Soybeans: \$1.65/bu.
- Sorghum: \$0.86/bu.
- Wheat: \$0.14/bu.

***Initial payment rate on 50% of production*

MFP payments are limited to a combined \$125,000 for corn, cotton, sorghum, soybeans, and wheat capped per person or legal entity. MFP payments are also limited to a combined \$125,000 for dairy and hog producers. Applicants must also have an average adjusted gross income for tax years 2014, 2015, and 2016 of less than \$900,000. Applicants must also comply with the provisions of the Highly Erodible Land and Wetland Conservation regulations.

For more further information or to locate and contact local FSA offices, interested producers can visit www.farmers.gov.

CRP Payment Limitation

Payments and benefits received under the Conservation Reserve Program (CRP) are subject to the following:

- payment limitation by direct attribution
- foreign person rule
- average adjusted gross income (AGI) limitation

The 2014 Farm Bill continued the \$50,000 maximum CRP payment amount that can be received annually, directly or indirectly, by each person or legal entity. This payment limitation includes all annual rental payments and incentive payments (Sign-up Incentive Payments and Practice Incentive Payments). Annual rental payments are attributed (earned) in the fiscal year in which program performance occurs. Sign-up Incentive Payments (SIP) are attributed (earned) based on the fiscal year in which the contract is approved, not the fiscal year the contract is effective. Practice Incentive Payments (PIP) are attributed (earned) based on the fiscal year in which the cost-share documentation is completed and the producer or technical service provider certifies performance of practice completion to the county office.

Such limitation on payments is controlled by direct attribution.

- Program payments made directly or indirectly to a person are combined with the pro rata interest held in any legal entity that received payment, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Program payments made directly to a legal entity are attributed to those persons that have a direct and indirect interest in the legal entity, unless the payments to the legal entity have been reduced by the pro rata share of the person.
- Payment attribution to a legal entity is tracked through four levels of ownership. If any part of the ownership interest at the fourth level is owned by another legal entity, a reduction in payment will be applied to the payment entity in the amount that represents the indirect interest of the fourth level entity in the payment entity.

Essentially, all payments will be “attributed” to a person’s Social Security Number. Given the current CRP annual rental rates in many areas, it is important producers are aware of how CRP offered acreages impact their \$50,000 annual payment limitation. Producers should contact their local FSA office for additional information.

NOTE: The information in the above article only applies to contracts subject to 4-PL and 5-PL regulations. It does not apply to contacts subject to 1-PL regulations.

Reporting Solar Panels Constructed on Cropland

Producers who have solar panels constructed on their farms should notify the local Farm Service Agency office. Any area that is no longer considered suitable as cropland (producing annual or perennial crops) should be designated in FSA’s records and aerial photography maps. When base acres on a farm are converted to a non-agricultural commercial or industrial use, the total base acres on the farm must be reduced accordingly. Non-cropland areas used for solar panels might impact payments calculated using base acres, such as Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) and Conservation Reserve Program (CRP) annual rental payments.

Loan Servicing

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

Interest Rates - September 2018

Farm Ownership and Farm Operating Loans

- Farm Operating - Direct: 3.750%
- Farm Ownership - Direct: 4.000%
- 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: 2.375% per annum
- Crop year commodity loans less than 1 year: 3.375% per annum

Farm Storage Facility Loans

- 3 year loan terms: 2.750% 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

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).