

November 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.

Note from the State Executive Director

Elections are underway for USDA Farm Service Agency's County Committees.

County committee election ballots were mailed to eligible voters across Michigan on Nov. 5, 2018. The last day to return completed ballots to your local USDA service center is Dec. 3, 2018.

It is important that every eligible producer participate in these elections, because FSA county committees are a link between the agricultural community and USDA. To verify if your Local Administrative Area's committee seat is up for election, contact your local [FSA County Service Center](#).

County committee members are a critical component of FSA operations. Committees should be comprised of members who reflect the diversity of producers involved in production agriculture. This means that producers representing underserved groups or communities should be on the committee to speak on behalf of their constituency.

For more information on eligibility to serve on FSA county committees, visit: www.fsa.usda.gov/elections.

Just Around the Corner

November 12: Offices closed for Veterans Day Observance

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

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

November 22: Offices closed for Thanksgiving Day

December 1: NAP Application closing date for honey and maple sap

December 3: ELAP application deadline for eligible livestock, honeybee, and farm-raised fish losses suffered from Oct. 1, 2017 through Sept. 30, 2018

December 4: Deadline to return County Office Committee election ballots to the USDA Service Center

December 25: Offices closed for Christmas Holiday

January 1: Offices Closed for New Year's Day

January 2: Acreage reporting deadline for honey.

January 15: Acreage reporting deadline for perennial fruits and nuts

January 21: Offices Closed for Birthday of Martin Luther King, Jr.

January 31: MAL/LDP deadline for prior year harvested wool and mohair; LDP deadline for unshorn pelts

Dates 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.

Sign In & Sign Up!

Farmers, ranchers and agricultural producers have new online options to access U.S. Department of Agriculture (USDA) programs.

Through USDA's new streamlined process, producers doing business **as an individual** can now register, track and manage their applications for the Market Facilitation Program (MFP) and 2017 Wildfires Hurricanes Indemnity Program (2017 WHIP) on the secure and convenient www.farmers.gov.

Producers doing business as an individual first need to sign up for the Level 2 eAuthentication access. Currently USDA eAuthentication does not have the mechanism to issue accounts to businesses, corporations, other entities or for anyone acting on behalf of another individual or entity.

- Step 1: Create and online account at www.eauth.usda.gov
- Step 2: Complete identity verification by either using the online self-service identity verification method or by completing the identity verification in-person at your USDA Service Center.
- Step 3: You're enrolled
- Step 4: Contact your local USDA Service Center to have your new Level 2 account linked with your USDA customer record
- Step 5: You're ready to Log In

Or go to your local USDA Service Center and our supportive staff will help you sign up for Level 2 Access right in the office! They will get you online so you can create an online account at <https://www.farmers.gov/sign-in>. You'll complete identity verification right on the spot. You're enrolled!

Users with a secure Level 2 eAuthentication ID linked to their USDA customer record can apply for select USDA programs, view and print farm maps and farm records data. Enrolling is easy! Visit farmers.gov/sign-in to learn more.

To locate a service center near you or use online services not requiring eAuthentication access, visit www.farmers.gov. For technical assistance, call the eAuthentication help desk at 1-800-457-3642.

Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The [Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program \(ELAP\)](#) provides emergency assistance to eligible livestock, honeybee, and farm-raised fish producers who have losses due to disease, adverse weather or other conditions, such as blizzards and wildfires, not covered by other agricultural disaster assistance programs.

Eligible livestock losses include grazing losses not covered under the [Livestock Forage Disaster Program \(LFP\)](#), loss of purchased feed and/or mechanically harvested feed due to an eligible adverse weather event, additional cost of transporting water because of an eligible drought and additional cost associated with gathering livestock to treat for cattle tick fever.

Eligible honeybee losses include loss of purchased feed due to an eligible adverse weather event, cost of additional feed purchased above normal quantities due to an eligible adverse weather condition, colony losses in excess of normal mortality due to an eligible weather event or loss condition, including CCD, and hive losses due to eligible adverse weather.

Eligible farm-raised fish losses include death losses in excess of normal mortality and/or loss of purchased feed due to an eligible adverse weather event.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from Oct. 1, 2017 to Sept. 30, 2018 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by **Dec. 3, 2018**
- An application for payment by **Dec. 3, 2018**

The following ELAP Fact Sheets (by topic) are available online:

- [ELAP for Farm-Raised Fish Fact Sheet](#)
- [ELAP for Livestock Fact Sheet](#)
- [ELAP for Honeybees Fact Sheet](#)

To view these and other FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

USDA Commodity Loans Available to Michigan Producers

U.S. Department of Agriculture (USDA) Farm Service Agency in Michigan reminds producers that Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs) are available to help producers through periods of low market prices. The 2014 Farm Bill authorized MALs and LDPs for the 2014 to 2018 crop years.

MALs provide interim financing and allow producers to delay the sale of the commodity at harvest-time lows and wait until more favorable market conditions emerge. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans and other oilseeds, pulse crops, rice, wool and honey.

The Name County FSA office is now accepting requests for 2018 MALs and LDPs for all eligible commodities after harvest.

Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash-rent tenant and member contribution.

In order to meet eligibility requirements, producers must retain beneficial interest in the commodity, meaning they have control of the commodity or a title to the commodity, until the MAL is repaid or the Commodity Credit Corporation takes title to the commodity.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: Agriculture Risk Coverage and Price Loss Coverage payments, Marketing Loan Gains and LDPs. These payment limitations do not apply to MAL disbursements.

Producers or legal entities whose total applicable three-year average adjusted gross income exceeds \$900,000 are not eligible for Marketing Loan Gains and LDPs, but are eligible for MALs repaid at principal plus interest.

For more information, please visit your local FSA office or www.fsa.usda.gov. To find your local USDA service center, visit www.farmers.gov.

Farm Reconstitution

When changes in farm ownership or operation take place, a farm reconstitution is necessary. The reconstitution — or recon — is the process of combining or dividing farms or tracts of land based on the farming operation.

To be effective for the current Fiscal Year (FY), farm combinations and farm divisions must be requested **by August 1 of the FY** for farms subject to the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) program. A reconstitution is considered to be requested when all:

- of the required signatures are on FSA-155
- other applicable documentation, such as proof of ownership, is submitted.

Total Conservation Reserve Program (CRP) and non-ARC/PLC farms may be reconstituted at any time.

The following are the different methods used when doing a farm recon:

Estate Method — the division of bases, allotments and quotas for a parent farm among heirs in settling an estate;

Designation of Landowner Method — may be used when (1) part of a farm is sold or ownership is transferred; (2) an entire farm is sold to two or more persons; (3) farm ownership is transferred to two or more persons; (4) part of a tract is sold or ownership is transferred; (5) a tract is sold to two or more persons; or (6) tract ownership is transferred to two or more persons. In order to use this method the land sold must have been owned for at least three years, or a waiver granted, and the buyer and seller must sign a Memorandum of Understanding;

DCP Cropland Method — the division of bases in the same proportion that the DCP cropland for each resulting tract relates to the DCP cropland on the parent tract;

Default Method — the division of bases for a parent farm with each tract maintaining the bases attributed to the tract level when the reconstitution is initiated in the system.

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.

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 - November 2018

FSA Farm Loans

- Farm Operating - Direct: 3.750%
- 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%

Commodity Credit Corporation

- Crop year commodity loans less than 1 year: 3.625% per annum
- CCC borrowing rate-based interest charges: 2.625% per annum
- 3 year farm storage facility loan: 2.875% per annum
- 5 year farm storage facility loan: 3.000% per annum
- 7 year farm storage facility loan: 3.125% per annum
- 10 year loan farm storage facility: 3.125% per annum
- 12 year farm storage facility loan: 3.125% 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).