

**Musselshell FSA Office**  
**109 Railroad Avenue East**  
**Roundup MT 59072**  
**406-323-2067**



**Musselshell County**  
**September 2009**

County Committee Members

Jay Pelan, Chairman  
 Bill Bergin, Vice-Chairman  
 Bryan Adolph, Regular Member  
 Cathy Kombol, Minority Advisor

FSA Office Personnel

Karen Schanz, CED  
 Nancy Anderson, PT  
 Cindy Charlton, PT

Agricultural Lending Opportunities

*Questions regarding obtaining credit to start or enlarge a farming or ranching operation; financing agricultural operating expenses; or livestock, machinery purchases call:*

Bill Ballard or Mike Turley  
 Phone~406-657-6135

**Dates to Remember:**

- Aug. 2 – Sept. 30** – Managed Haying Period (New Rules)
- Aug. 2 – Sept. 30** – Summer/Fall Managed Grazing Period
- Sept. 30** – NAP acreage reporting deadline for value loss crops
- Sept. 30** – All bales and livestock must be removed from CRP acreage
- Sept. 17** – CRP public meeting
- Oct.** – CRP payments issued
- Oct.** – DCP payments issued
- Oct. 7 & 8** – Women Stepping Forward for Agriculture Symposium

**September 13<sup>th</sup> Deadline for LIP Benefits**

Signup for the Livestock Indemnity Program (LIP) began July 13<sup>th</sup>. If you had livestock losses from storms occurring during calendar year 2008 or 2009, you may be eligible to receive benefits from the LIP program.

**To Apply:**

- A notice of loss must be filed according to the following table.
- Proof of death of livestock must be provided and may include but is not limited to any or a combination of veterinary records, tax assessor records, private insurance documents.
- Documentation must provide sufficient data that identifies the kind/type weight range of the livestock and the number of livestock.
- A third party certification may be accepted only when the participant certifies in writing that no other form of proof of death is available and includes the number and physical location of livestock in inventory at the time the death occurred. Documentation must also be provided to support the number of livestock in the inventory at the time the deaths occurred. The third party providing the verification must be a reliable source and shall not be a relative associated with the operation or a hired man.

The following table provides the final dates to file a notice of loss and/or application for payment for either 2008 or 2009 livestock losses:

<b>Date of Livestock Death</b>	<b>Final Date to File a Notice of Loss</b>	<b>Final Date to Submit an Application for Payment</b>
Calendar Year 2008	Sept. 13, 2009	Sept. 13, 2009
Jan. 1, 2009 to July 12, 2009	Sept. 13, 2009	Jan. 30, 2010
July 13, 2009 to Dec. 31, 2009	30 days after death is apparent	Jan. 30, 2010

LIP provides compensation to eligible livestock producers that have incurred livestock death losses in excess of normal mortality on or after Jan. 1, 2008 and before Oct. 1, 2011 due to adverse weather, such as blizzards, disease, extreme cold, extreme heat, floods, and wildfires.

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### Loan Commodity Quality for 2009

Due to excessive moisture in some areas of the state and lack of moisture in other areas, the quality of harvested grains was affected in 2009. When selling these commodities, quality discounts reduce the value received. These same quality discounts will apply to USDA commodity loans if delivered to Commodity Credit Corporation (CCC) at the maturity of the 9 month loan. These quality discounts could result in insufficient funds to cover the amount of the loan. This would result in a debt to CCC. Producers considering obtaining grain loans through the FSA commodity loan program are certifying not only to the quantity being placed under loan but also to the quality of the commodity. County loan rates are based on Grade 1 and 2 provisions of the Uniform Grain Standards.



### Women Stepping Forward For Agriculture Symposium

The 9<sup>th</sup> annual Women Stepping Forward for Agriculture Symposium will be held Oct. 7 & 8 at the Eagles in Lewistown.

Pre-registration information should be submitted by September 15, 2009. The cost of registration is \$60.00. A block of rooms has been reserved at the Yogo Inn.

For further information or a registration form, logon to the Montana FSA website at <http://www.fsa.usda.gov/mt>, contact any USDA Service Center or by calling Heidi Brewer at 406/232-7905 ext. 122.

### Farm Loans for Minority Groups

FSA can make direct and guarantee loans to those considered as minorities under USDA definition. These groups include women, African Americans, American Indians, Alaskan Natives, Hispanics, and Asian Americans and Pacific Islanders. Funds can be used to buy and operate family-sized farms and ranches.

Individuals and entities primarily and directly engaged in farming and ranching on family-sized operations may apply. A family-sized farm is considered to be one that a family can operate and manage itself. Applicants must meet all requirements for FSA's regular farm loan program assistance. Contact the FSA office for exact criteria.

Repayment terms for direct operating loans depend on the collateral securing the loan and usually run from 1 to 7 years. Interest rates for direct loans are set periodically according to the Government's cost of borrowing. Repayment terms for direct farm ownership loans are up to 40 years. Interest rates for guaranteed loans are established by the lender. Applications for direct loans are made through the local FSA office. Applications for guaranteed loans are made with the lender.

### CRP Managed Haying & Grazing Ends September 30.

Managed Grazing on Conservation Reserve Program (CRP) acres began August 2 and ends September 30, 2009. All livestock must be removed by September 30.

Managed Haying on Conservation Reserve Program (CRP) acres ends September 30, 2009. All bales must be removed by September 30<sup>th</sup>.

## **NRCS Offers Conservation Stewardship Program**

A continuous signup for the new Natural Resources Conservation Service (NRCS) Conservation Stewardship Program began August 10, 2009. The first ranking cutoff date is September 30, 2009.

The Conservation Stewardship Program encourages producers to address resource concerns by installing and adopting additional conservation activities or improving, maintaining, and managing existing activities. Contact your local NRCS office for further details on eligibility requirements for the Conservation Stewardship Program.

## **Farmland Wetlands Program (FWP) Begins**

Signup for the new Farmland Wetlands Program began Aug. 3. The program provides a resource to restore wetlands and reduce downstream flood damage, improve surface and groundwater quality and recharge groundwater supplies. The 2008 Farm Bill provided additional incentives for land enrolled in FWP. All new signups for FWP will be eligible for a \$100 per acre Signing Incentive Payment, a Practice Incentive Payment of 40 percent of the cost of installing the practice in addition to the 50 percent cost-share payment for the cost of installing the practice, and a per acre Payment Rate of 120 percent of the calculated rental rate. Eligible acreage includes farmed and prior converted wetlands that have been impacted by farming activities. The maximum acreage for enrollment of wetlands is 40 acres per tract. Multiple wetlands and associated buffers may be enrolled on a tract as long as the total wetland acreage does not exceed 40 acres.

FWP contracts are from 10 to 15 years in exchange for annual rental payments, one-time incentive payments, and cost-share for installing necessary practices.

## **Farm Storage Facility Loan Program Undergoes Changes**

The 2008 Farm Bill provided changes to the Farm Storage Facility Loan Program (FSFL). FSFL provides low-interest financing for producers of eligible commodities to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with the Commodity Credit Corporation (CCC) providing a loan for the remaining 85 percent of the net cost of the eligible storage facility and permanent drying and handling equipment.

Loan terms of seven, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term may be different and are based on the rate which CCC borrows from the Treasury Department.

Partial funding can be made after a portion of the construction has been completed. The final fund disbursement will be made when all construction is completed.

The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, soybeans, oats, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops – lentils, small chickpeas and dry peas
- Hay
- Renewable biomass
- Fruits (including nuts) and vegetables – cold storage facilities.

Contact the office if you are interested in receiving further information about the changes to FSFL.

### **Office Hours:**

8:00 am to 5:00 pm

### **Committee Meetings**

Third Tuesday of the month

Musselshell County FSA  
109 Railroad Avenue East  
Roundup MT 59072

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U.S. POSTAGE PAID  
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### *Important Dates to Remember*

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## **FSA Implements New Payment Process for CRP and DCP Payments**

In October, FSA will be implementing a new payment processing system beginning with the annual Conservation Reserve Program (CRP) payments and final direct payments under the Direct and Counter-Cyclical Program (DCP). FSA will be doing their best to ensure delays are minimized with the new system however, some of the payment processing that used to occur behind the scenes within the software will now be more evident and may be confusing. In addition, all payments issued by FSA will be routed to the Department of Treasury to comply with the Debt Collection Improvement Act of 1996. What this means is that any delinquent Federal debt may also be offset from payments due you from FSA/CCC.

Annual CRP payments and final direct DCP payments may be reduced for:

- payment reductions for haying and grazing
- existing FSA/CCC debt
- advance direct payments
- eligibility determinations implemented with the 2008 Farm Bill (direct attribution, member contribution of labor and management, etc.)
- delinquent Federal debt

Payments will be processed automatically without local FSA intervention and deposited directly into accounts signed up for direct deposit. Paper payment checks will still be mailed by Kansas City. A transaction statement will be mailed to payment recipients explaining the payment issued and any offsets applied. The Department of Treasury will notify the payment recipient of any offset taken. Local FSA offices will not receive a copy of the transaction statement or notification of the Treasury offset. Please retain the transaction statement tax purposes and reconciling the FSA-1099s issued in January. Questions regarding Treasury offsets may be directed to the Treasury Offset Program (TOP) Call Center at 1-800-304-3107.