

Pondera County FSA
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Pondera County FSA
December 2009

FSA IMPLEMENTS NEW PAYMENT PROCESS FOR CRP AND DCP PAYMENTS

County Committee Members

John Bergstrom – Chairman
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Greg Kellogg
Donna Vanden Bos
Tom Kuka

FSA Office Personnel

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William Daugherty – FLM
Cheryl Laisnez
Donna Fowler
Candace Balkenbush
Lacey Patterson

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:
William Daugherty at
406-873-4292

Dates to Remember:

Dec. 7 – Final day to return COC election ballots
Dec. 10 – 2008 calendar year LFP losses deadline
Dec. 25 – Office Closed - Holiday
Jan. 1 – Office Closed - Holiday
Jan. 18 – Office Closed - Holiday

FSA implemented a new centralized payment processing system in October. Payment transaction statements are being mailed to producers for annual Conservation Reserve Program (CRP) payments, final direct payments under the Direct and Counter-cyclical Program (DCP) and Average Crop Revenue Election (ACRE) Program. FSA encourages producers to keep the payment transaction statements they receive as they will be needed for tax purposes and reconciling the FSA-1099s issued in January.

Since FSA payments are now centralized for the nation, payment reductions for advance DCP payments received or haying and grazing of CRP will be offset from the first available payment without regard to contract number, farm number, program, or administrative county. Payments will be reduced for:

- existing FSA/CCC debt
- advance direct payments under DCP or ACRE
- payment reductions for haying and grazing of CRP
- eligibility determinations implemented with the 2008 Farm Bill (such as direct attribution, member contribution of labor and management)

If an offset is taken for one of these items, it will appear on the payment transaction statement as a payment reduction to "Commodity Credit Corporation" but may not clearly state which program, farm number, contract number, or county.

Payments are also being routed to the Department of Treasury to comply with the Debt Collection Improvement Act of 1996. The Department of Treasury will notify the payment recipient of any offset taken for other delinquent Federal debt.

There are some known software issues with entity payments, such as a corporation or LLC, due to changes in the 2008 Farm Bill that required member contribution of labor or management. FSA is working hard to resolve the issues and doing their best to ensure delays are minimized with the new system. Some entities may initially receive a partial payment with the balance to be issued as soon as the software issues are resolved. Questions regarding Treasury offsets may be directed to the Treasury Offset Program (TOP) Call Center at 1-800-304-3107.

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Deadline for Calendar Year 2008 Losses for LFP and ELAP

2008 Calendar year losses for the Livestock Forage Program (LFP) and the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) must be filed by **December 10, 2009**. For 2009 and subsequent years signup, applications must be filed no later than 30 calendar days after the end of the calendar year in which the losses occurred. The losses must occur in the calendar year the application is being filed.

For both programs, producers must have suffered losses that occurred on or after January 1, 2008, and before October 1, 2011. Producers are also required to meet a Risk Management Purchase Requirement in order to be eligible for these programs. Producers must have timely applied for and obtained either crop insurance; or Non-insured Crop Disaster Assistance (NAP) coverage or 2008 Buy-in for 2008 calendar year losses.

Eligible livestock list is available at www.fsa.usda.gov/mt.

JANUARY DEADLINE FOR LIP

Signup for the Livestock Indemnity Program (LIP) has begun. If you had livestock losses from storms occurring during calendar year 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 2009 livestock losses:

Date of Livestock Death	Final Date to File a Notice of Loss	Final Date to Submit an Application for Payment
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.

Changes for 2010?

If you have recently purchased, sold, acquired or released any leases any land or have any changes to your farming operation including corporation changes please contact the Pondera County FSA office.

SUPPLEMENTAL REVENUE ASSISTANCE PAYMENTS PROGRAM (SURE)

SURE was one of the disaster programs created under the 2008 Farm Bill. It provides financial assistance for crop production and or quality losses due to a natural disaster. Two triggers make the program available: 1) A Secretarial Disaster designation AND at least a 10% crop production loss on at least one crop of economic significance which is defined as a crop which is expected to contribute at least 5% of the farm's income; or

2) In the absence of a secretarial disaster declaration, farms in which the actual production on the farm is less than 50% of the normal production on the farm. Producers in counties that did not receive a secretarial declaration or contiguous county declaration have only this option available to qualify for SURE.

In addition, producers must have crop insurance or NAP (non-insured crop disaster assistance program) coverage for all crops excluding grazing lands. SURE does not pay for losses on crops intended for grazing.

In 2008, Pondera County was neither declared a disaster county nor was contiguous to a disaster declared county so the percentage of loss needed for your "farm" to qualify for a loss would be 50%. When we begin to process 2009, a farm will only have to show a 10% loss since we are contiguous to Glacier County (Glacier was declared a disaster county for 2009).

A SURE farm means the sum of all crop acreage in all counties that a producer planted or intended to plant for harvest for commercial sale or on-farm livestock feeding, including native and improved grassland intended for haying. So this means that all of your crops in all counties would be included on ONE application.

STORED PRODUCTION: If you think your farm might qualify for the 2009 SURE program you need to make sure that any stored production has quality tests done by **January 1st, 2010**. Procedure requires that tests must be completed by January 1 of the year following harvest. All stored production that does not meet these criteria will be assigned a 1.0 factor (unaffected by quality) during the spot check process. So for example: you have 2009 barley stored on the farm and you think your farm might be eligible for SURE; you need to make sure that you have representative samples tested from each bin.

Sign-up for 2008 is scheduled to begin this month. For further information on SURE contact our office or log on to the Montana FSA website at <http://www.fsa.usda.gov/mt>.

MORE THAN 900 FARMS ENROLLED IN ACRE

FSA approved 911 farms across Montana for the Average Crop Revenue Election (ACRE) program for 2009. Chouteau County led Montana with 258 approved farms.

ACRE is provided through the 2008 Farm Bill and offers producers an alternative to Counter-Cyclical payments under the Direct and Counter-Cyclical Program (DCP) beginning with the 2009 crop year. The ACRE alternative provides eligible producers a state-level revenue guarantee, based on the 5-year state Olympic average yield and the 2-year national average price. ACRE payments are made when both state- and farm-level triggers are met. By participating in ACRE, producers elect to forgo counter-cyclical payments, receive a 20-percent reduction in direct payments and a 30-percent reduction in loan rates. A decision to elect ACRE binds the producer to the program through the 2012 crop year, the last crop year covered by the 2008 Farm Bill. ACRE's revenue-based approach makes payments based on price and yield movements relative to the guarantee.

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Inside this Issue:	<i>Important Dates to Remember</i>
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2010 DCP and ACRE Signup Begins

Signup for the 2010 Direct and Counter-cyclical Program (DCP) and the Average Crop Revenue Election (ACRE) program has begun and will continue through June 1, 2010. No late-filed applications will be accepted.

DCP payments are computed using base acres and payment yields established for each farm. For 2010, eligible producers may request to receive advance direct payments based on 22 percent of the direct payment. Advance direct payments will be issued beginning Dec. 1, 2009.

The optional ACRE Program provides a safety net based on state revenue losses and acts in place of the price-based safety net of counter-cyclical payments under DCP. A farm's payment is based on a revenue guarantee calculated using a 5-year state yield and the most recent 2-year national price for each eligible commodity. For the 2010 crop, the 2-year price average will be based on the 2008 and 2009 crop years. The decision to enroll in ACRE is irrevocable. The owner of the farm and all producers on the farm must agree to enroll in ACRE. Once enrolled, the farm shall be enrolled for that initial crop year and will remain in ACRE through the 2012 crop year.

PLEASE CONTACT THE OFFICE FOR AN APPOINTMENT!