

Ravalli County FSA  
1709 N 1<sup>st</sup> Street  
Hamilton, MT 59840  
(406) 363-1444



### County Committee Members

Tony Collier, Chair  
Hans McPherson, Vice Chair  
Ted Heiland, Member  
Julie Schram, Minority Advsr

### FSA Office Personnel

Coral Maxwell, Prog Tech  
Mary Jane Mohn, Prog Tech  
Curt Anderson, CED

### 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:*

Alan Jenne, Farm Loan Mgr  
at the Beaverhead County  
FSA office (406) 683-3830

### **Dates to Remember:**

**October** - CRP payments issued  
**October** – DCP payments issued  
**October 7 & 8** – Women Stepping Forward for Agriculture Symposium  
**October 12** – Columbus Day

#### *Links:*

<http://www.usda.gov>  
<http://www.fsa.usda.gov/MT>  
<http://www.rurdev.usda.gov/mt/>  
<http://www.mt.nrcs.usda.gov>  
<http://www.dnrc.state.mt.us/>  
<http://extn.msu.montana.edu>  
<http://www.bitterrootcd.org/>  
<http://bitterrootconservationdistrict.net/>

### **Message from the State Executive Director - Bruce Nelson**

I began as the State Executive Director for the Farm Service Agency on July 13<sup>th</sup>. After eight years of involvement in other venues, I am excited to assume my duties as the State Executive Director for the Farm Service Agency in Montana.

My most recent position was serving as the Chief of Staff to Montana Governor Brian Schweitzer. I have stepped down from my executive roles at Triangle N Farms since becoming FSA State Executive Director.

In every state the agricultural community is unique and has varied needs and concerns and my role, will be to work with USDA to ensure the needs of Montana agricultural producers are met.

Our primary mission at FSA is to assist Montana farmers and ranchers secure the greatest possible benefit from programs administered by FSA such as farm loans, commodity price support, disaster relief, conservation, or other available resources.

The hard working men and women of Montana's 49 FSA county offices are at the forefront of our efforts and remain the primary contact for program participation. We encourage you to speak with the staff at your local FSA office on how we can be of service.

### **Who Can Vote in the COC Election**

Agricultural producers of legal voting age can vote in the County Committee election if they participate or cooperate in any FSA program. A person who is not of legal voting age but supervises and conducts the farming operations on an entire farm can also vote.

No one can be denied the right to vote because of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation or marital or family status.

This year's election is being held in LAA3 (Hamilton Hts Rd south to County Line). Nominees include incumbent representative Ted Heiland along with Travis Bush.

### **LOAN DEFICIENCY PAYMENTS**

There is currently a \$ .02 LDP available on Barley. For more information on Loan Deficiency Payments and Eligibility see the Beneficial Interest story on Page 3 and/or go to <http://www.fsa.usda.gov/mt> , click on Daily LDP rates and select county name.

"The U.S. Department of Agriculture (USDA) prohibits discrimination in all its program and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer."

## 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. You can register for the Symposium by sending a \$70 registration fee and form to Heidi Brewer, 3120 Valley Drive East, Miles City, MT 59301. 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.



## Farmers and Ranchers Qualify for SBA Loans

Small Business owners including Farmers and ranchers suffering “immediate financial hardship” may apply for loans through the Small Business Administration (SBA) for up to \$35,000 to provide some temporary financial relief. Following are a few of the highlights of the loans:

- 100% Guarantee by SBA
- Interest free to borrowers
- SBA fees waived
- 12- month Deferred Payments
- Funds used to pay Principal and

Interest on small business debt including mortgages, term and Line of Credit (LOC), capital leases, credit card obligations, notes to vendors, suppliers and utilities

- Repayment begins 12 months after the final disbursement
- 5 years to repay
- Loan limit \$35,000

Farmers and ranchers qualify if their net worth is under \$8.5 million and average revenue for the past three year of less than \$750,000.00.

For further information about the ARC loan program logon to the SBA website at <http://www.sba.gov>.

## 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.

## Foreign Landowner Notification

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires all foreign owners of U.S. agricultural land to report their holdings to the Secretary of Agriculture. The Farm Service Agency administers this program for USDA.

Foreign persons who have purchased or sold agricultural land in the county are required to report the transaction to FSA within 90 days of the closing. Failure to submit the AFIDA form could result in civil penalties of up to 25 percent of the fair market value of the property.

## **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.

## **Beneficial Interest**

The CCC-633 EZ, page 1 indicates the producers' intent to request Loan Deficiency Payments (LDPS) benefits and must be received in the FSA office before the producer loses beneficial interest in the commodity. For LDPs, the producer must retain beneficial interest in the commodity from the time of planting through the date the form CCC-633EZ, page 1 is filed. For Marketing Assistance Loans (MALs) the producer must retain beneficial interest from the time of planting through the date the loan collateral is repaid or forfeited to CCC. To be eligible for LDPs, producers must be in compliance with all annual eligibility requirements for marketing assistance loans.

Producers are encouraged to complete a CCC-633 EZ, page 1 at their earliest convenience before beneficial interest is lost in the commodity.

## **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.

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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.