

Valley County FSA Office
54062 Hwy 2 W, Suite 1
Glasgow, MT 59230-2846

Phone (406)228-4321
Fax (406)228-8101

County Committee Members

Mike Wesen, Chairman
Richard Fulton, Vice-
Chairman
Arden Unrau, Member
Theresa Shipp, Advisor

FSA Office Personnel

Mike Hagfeldt, County
Executive Director
Stephanie Meier, Program
Technician
Roberta Hopstad, Program
Technician
Sheri Daggett, Program
Technician
Darlene Otten, Program
Technician
Britney Cornwell, Program
Technician
Sharon Baillargeon, Farm
Loan Manager
Jaylein Nickels, Farm Loan
Officer
Jodie Berg, Farm Loan
Program Technician

Dates to Remember:

May 14 – Spring grazing on
CRP acres ends

May 15 – Beginning date of
Primary Nesting Season

NAP Pull off date – May 1

May 14 – Spring grazing on
CRP acres ends

May 15 – Beginning date of
Primary Nesting Season

August 14 – DCP, ACRE,
Pulse Crop signup deadline



Valley County Newsletter

April 2009

2009 CRP Managed Haying/Grazing Periods

Contact Person: Britney Cornwell

The 2009 Spring Managed Grazing Period is March 15th - May 14th. Livestock must be removed when the calculated AUMs have been utilized but no later than May 14th, 2009.

The 2009 Summer/Fall Managed Grazing Period is **August 2nd - September 30th**. Livestock must be removed when the calculated AUMs have been utilized but no later than September 30th, 2009.

The Summer/Fall managed grazing period has been changed this year. In 2008 it was July 16th -September 13th. The beginning date was changed in 2009 to allow all livestock producers who did managed grazing on CRP to have the opportunity to graze up to the maximum of 60 days. Because of the July 16th start date in 2008, CRP contracts under the "New Provisions" for managed grazing were limited to 43 days of grazing – July 16 through September 13.

The 2009 Managed Haying Periods are July 16th - September 30th for CRP contracts that included managed haying in the conservation plan of operations (CPO) prior to September 26, 2006 ("Old Provisions").

August 2nd - September 30th for CRP contracts that added managed haying to the CPO on or after September 26, 2006. ("New Provisions").

All managed haying of CRP must end by **September 30th**. All bales must be removed from the CRP by **September 30th**.

Producers requesting managed haying and grazing of CRP **must** receive written approval from the County FSA Office before starting.

Livestock Indemnity Program (LIP) Contact Person: Stephanie Meier

The LIP program compensates producers for livestock death losses in excess of normal mortality due to adverse weather that occurred on or after January 1, 2008 and before October 1, 2011.

*Signup begins when an eligible disaster is apparent. A Notice of Loss must be filed within 30 days of when the loss is apparent. Adequate documentation for proof of death of livestock **must** be provided and may include such evidence as rendering truck receipts or certificates, receipts of carcass removal, veterinary records, tax assessor records, private insurance documents or a measurement service request.*

Disaster events include but are not limited to, blizzards, tornado, lightning, ice storms, floods, extreme cold or extreme heat. Drought is not an eligible cause of loss for LIP.

Pulse Crops to be added to Base Acres*Contact Person: Darlene Otten*

The Food, Conservation, and Energy Act of 2008 provided that eligible pulse crop acres may be added as base acres on a farm. The addition of pulse crops to base acres is effective for 2009 through 2012 crop years.

The calculation of pulse crop base acres and yields are based on the acreage and yield history from the 1998 through 2001 crop years on the applicable tract of land. Actual yield history may be used when available.

Pulse crops are defined as:

- * dry peas (green, yellow, Austrian, Umatilla, and wrinkled)
- * lentils
- * large chickpeas (Kabuli garbanzo beans)
- * small chickpeas (Desi garbanzo beans).

*Pulse crop base acres will only be eligible for counter-cyclical or Average Crop Revenue Election (ACRE) payments for 2009 through 2012 crop years. Direct payment rates were **not** established for pulse crops; therefore, direct payments are **not** authorized for pulse crops for 2009 through 2012 crop years.*

The deadline to add Pulse Crop acres to a farm is August 14, 2009.

2009 Direct and Counter-cyclical Program (DCP) Signup*Contact Person: Darlene Otten*

The sign-up deadline for the Direct and Counter-cyclical Program (DCP) and the forthcoming Average Crop Revenue Election (ACRE) Program has been extended from June 1, to **Aug. 14, 2009**. This action extends the sign-up deadline by 10 weeks to give producers ample time to decide whether to participate in ACRE or remain in DCP.

Sign-up for ACRE has been announced and will begin April 27, 2009.

Producers can elect ACRE at their FSA County Office before the extended deadline of August 14, 2009.

The ACRE program provides eligible producers with a safety net if both farm and state revenue drops. The program targets planted and considered planted covered commodity crops. For ACRE, the revenue calculation utilizes national price figures as well as state and farm yields. 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. The decision to elect ACRE binds the *farm* to the program through the 2012 crop year. An ACRE calculator has been developed by Montana State University to assist producers in making their determination whether to participate in ACRE. The calculator, along with an ACRE Fact Sheet and further DCP information is available on-line at www.fsa.usda.gov/mt, under Hot Topics – 2008 Farm Bill.

New Provisions for Loans and Loan Deficiency Payments *Contact Person: Sheri Daggett*

The 2008 Farm Bill included several changes to the Marketing Assistance Loan (MAL) and Loan Deficiency Payment program (LDP).

Some of the changes include:

- * Adding Large chickpeas as an eligible pulse crop beginning with the 2009 crop year
- * Beginning with the 2009 crop year, MAL's and LDP's will no longer be subject to a per person payment limit
- * Loan rates will no longer be adjusted on warehouse-stored loans by premiums and discounts at loan making time
- * Beginning with the 2009 crop year, warehouse-stored loans will be adjusted by premiums and discounts only at loan settlement, if the commodity is either farm-stored delivered or warehouse stored forfeited
- * The Commodity Credit Corporation will no longer require the execution of a storage agreement in storage facilities that are either 1) federally-licensed or 2) in compliance with applicable state laws and issue warehouse receipts (2009 crop year)

For further information on loan or loan deficiency program payments and current loan rates, contact your local USDA Service Center or logon to the Montana FSA website at <http://www.fsa.usda.gov/mt>.

Pheasants Winter Cover Enhancement - State Acres for Wildlife Enhancement (SAFE) *Contact Person: Britney Cornwell*

We are still currently taking offers for the SAFE program. SAFE allows producers to install practices through the Conservation Reserve Program (CRP) that benefit high priority State wildlife conservation objectives. The cooperative effort is based on locally developed conservation proposals that address the highest priority wildlife objects before the practices may be implemented. The practices must be used to address wildlife habitat that can be enhanced through the restoration of eligible cropland through CRP.

The purpose of the Pheasant Winter Cover Enhancement project is to provide blocks of grass and/or shrub cover for ring-necked pheasant and other upland birds near existing permanent winter cover, improve habitat for ring necked pheasants and other upland game birds near existing permanent winter cover, expand habitat for ring-necked pheasants and other upland birds by converting eligible croplands to grassy cover, improve water quality and reduce soil erosion within the project area.

Producers within the Pheasant Winter Cover Enhancement area can submit offers to voluntarily enroll cropland in CRP contracts. SAFE applications will be accepted throughout the year. Eligible SAFE applications can be approved by the local FSA County Committee. The contract is effective the first day of the month following the month it is approved by the local FSA County Committee. The effective date may be deferred up to 6 months.

Mixed Grain/Hay Loan LDP Eligibility

Contact Person: Sheri Daggett

USDA does not establish loan rates for mixed commodities. A mixed commodity harvested as grain that does not meet grading standards is not eligible for a loan or Loan Deficiency Payment (LDP). A mixed commodity that is hayed or harvested as silage is not eligible for an LDP. If a mixed commodity is harvested as grain and a farm-stored loan or LDP is applied for, a sample of the harvested crop must be taken to a licensed Federal Grain Inspection Service (FGIS) laboratory for grading, at the producer's expense. Loan or LDP eligibility will be determined based on the results of the sample. The County Committee may require documentation to support the seeding rate.

Second 2008 Buy-in Waiver Approved

Contact Person: Roberta Hopstad

A second Buy-In for insurable and non-insurable crops for 2008 has been authorized. The Buy-in allows producers another opportunity to pay a buy-in fee to be eligible for the 2008 disaster programs.

If you did not obtain crop insurance or Non-insured Crop Disaster Assistance Program (NAP) coverage for the 2008 crop year on all crops, you can pay a buy-in fee to become eligible for the Supplemental Revenue Assistance Program (SURE) and Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish (ELAP) programs. ***Grazing crops are not included in this second buy-in bill.***

Those wishing to participate in 2008 buy-in may signup at their local FSA county office by the **May 18, 2009** deadline. Producers who have not already taken the necessary steps to become eligible for SURE and ELAP are required to complete the following steps:

- ▶ Pay a \$100 "buy-in" fee per crop. The maximum fee is \$300 per county, per producer, not to exceed \$900 for multi-county producers.

- ▶ In the case of each insurable crop, *excluding grazing land*, agree to obtain a policy or plan of insurance for the next insurance year for which crop insurance is available; coverage level should equal 70 percent or more of the yield at 100 percent of the price.

- ▶ In the case of each noninsurable crop, agree to file the required paperwork and pay the applicable administrative NAP coverage fee by the applicable application closing date for the next available year.

Producers who choose to "buy in" under this provision will be considered, for insured crops, to have obtained a policy or plan of insurance for the 2008 crop year at a level of coverage not to exceed 70 percent of the yield at 100 percent of the price. For noninsurable crops, producers will be considered to have a level of coverage equal to 70 percent of the yield. These levels of coverage will be used to calculate the 2008 SURE guarantee.

Producers who meet the definition of "Socially Disadvantaged, Limited Resource," or "Beginning Farmer or Rancher," are not required to pay the buy-in fee. Definitions for the above groups may be found on the Montana Farm Service Agency (FSA) website at <http://www.fsa.usda.gov/mt>.

New Methods for Loan Repayment for Marketing Assistance Loans And Loan Deficiency Payment (LDP) Rates *Contact Person: Sheri Daggett*

Beginning April 15, the USDA Farm Service Agency (FSA) will begin using an improved and more stable system for determining loan repayment rates for non-recourse marketing assistance loans and loan deficiency payment rates for wheat, feed grains, pulse crops, oilseeds, wool, mohair and honey.

The 2008 Farm Bill provides the Secretary of Agriculture the authority to establish a loan repayment rate that may be determined as the lesser of the loan rate plus interest and a rate based on:

- 1) average market prices during the previous 30 days, or
- 2) an alternative method the secretary of agriculture may develop.

Starting April 15th, the Commodity Credit Corporation (CCC) will determine and publish daily loan repayment rates based on the average market prices during the preceding 30 days for wheat, corn, grain sorghum, soybeans, barley, oats, canola, flaxseed and sunflower seed. At the same time, CCC will begin announcing, each day, a repayment rate based on the preceding five days. The effective alternative repayment rate will be the lower of either the 30-day average or the 5-day average.

The repayment rate for pulse crops (lentils, dry peas, small chickpeas – and starting with the 2009-crop year, large chickpeas), crambe, mustard seed, rapeseed, safflower, sesame seed, wool, mohair and honey will also change starting on or after April 15th. CCC will determine and publish loan repayment rates once a week based on average market prices during the preceding 30 days. CCC will also announce an alternative repayment rate using current methodology each week. The effective repayment rate will be the lower of either the 30-day average or the alternative repayment rate.

For current loan rates, contact your local USDA Service Center or logon to the Montana FSA website at <http://www.fsa.usda.gov/mt>.

2009 Compliance maps for certification are ready to be picked up. Please stop by at your earliest convenience to get your 2009 maps!