

Valley County FSA Office
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County Committee Members

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

Next County Committee Meeting:
October 7, 2010 8:00 a.m.

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
Karen Bergtoll, Temporary Office

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:

Sharon Baillargeon, Farm Loan
Manager
Jaylein Nickels, Farm Loan Officer
Jodie Berg, Farm Loan Program
Technician
Scott Geda, Farm Loan Officer
Trainee

Dates to Remember:

Sept. 30 - Managed Haying Period Ends
Sept. 30 - RMA deadline to purchase
Forage Production Policy (2011 Crop Year)
Sept. 30 - SURE Application Deadline for
2008 Crop Year
October 2010 – 2010 CRP, DCP and ACRE
direct payments issued. 2009 additional
ACRE payments, if applicable, will also be
issued this fall.



Valley County FSA News

September 2010

September 30th Deadline for 2008 SURE Applications

Contact Person: Sheri Daggett

The deadline to submit an application for the 2008 Supplemental Revenue Assistance (SURE) is **close of business on Sept. 30, 2010**. There are no late-filed provisions for the SURE program.

SURE provides crop disaster assistance payments to eligible producers on farms that have incurred crop production or crop quality losses.

To be eligible for SURE, producers must have suffered at least a 10 percent production loss on a crop of economic significance. In addition, producers must meet the risk management purchase requirement by either obtaining a policy or plan of insurance, under the Federal Crop Insurance Act or NAP coverage, for all economically significant crops. For 2008 crops, producers had the opportunity to obtain a waiver of the risk management purchase requirement through a buy-in provision. Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage. For more info, contact your local FSA office.

NAP Coverage for 2011

Contact Person: Roberta Hopstad

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to provide financial assistance to producers of non-insurable crops when low yields or prevented planting occurs as the result of natural disasters. Statutes limit NAP coverage to each commercial crop or agricultural commodity, except livestock, for which the catastrophic (CAT) level of insurance is not available.

The NAP sales closing deadline is **March 15, 2011**. Producers who choose to obtain NAP coverage for 2011 must file a CCC-471 application for coverage and pay the applicable service fee by the sales closing deadline. Eligible producers must pay a service fee of \$250 per crop per administrative county or \$750 per producer per county, not to exceed \$1875 for a producer with farming interests in multiple counties. *Service fees may be waived for limited-resource producers.*

For the 2011 crop year it is imperative that producers purchase either NAP or a catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops. This is not only for production coverage, but also for eligibility for the new permanent disaster programs created in the 2008 Farm Bill.

If you had NAP in 2010, be sure to turn in production on your NAP crops. Production should be verifiable such as commercial receipts, settlement sheets, warehouse ledger sheets or load summaries through commercial channels. Reliable records are acceptable in the form of contemporaneous diaries, truck scale tickets, etc. to verify information provided by the producer if the crop was stored, sold, fed to livestock or otherwise disposed of other than through commercial channels.

The deadline to obtain the Federal Crop Insurance Rainfall-Index-PRF policy on 2011 grazing acres is **September 30, 2010**. For 2011 and succeeding years, producers are allowed to receive an indemnity on both NAP and RI-PRF for grazing acres. The deadline to apply for NAP on 2011 grazing acres is March 15, 2011.

Conservation Loan Program *Contact Person: Jodie Berg*

The USDA Farm Service Agency makes and guarantees conservation loans to promote conservation on farms and ranches to conserve our natural resources.

The goal of FSA's Conservation Loan (CL) program is to provide farmers access to credit that do not have the "up front" funds available to implement these practices. Eligibility requirements are unlike the traditional farm ownership and operating loan programs.

CL funds can be used to implement a conservation practice approved by the Natural Resources and Conservation Service (NRCS), such as reducing soil erosion, improving water quality and promoting sustainable and organic agricultural practices.

CRP Managed Hay and Grazing*Contact Person: Britney Cornwell***2010 Managed Grazing Period ends Sept. 13; 2010 Managed Haying ends Sept. 30**

The 2010 Conservation Reserve Program (CRP) Managed Grazing Period is limited to 60 days - July 16th through September 13th. All livestock must be removed by Sept. 13, 2010. The Managed Haying Period began on July 16th and ends on Sept. 30th. All bales must be removed by Nov. 12, 2010.

All DF-25's (actual acres hayed or grazed) must be submitted to the County Office before the CRP payment for 2010 will be made.

**Marketing Assistance Loans***Contact Person: Sheri Daggett*

Marketing Assistance Loans for wheat, corn, grain sorghum, barley, oats, soybeans, other oilseeds (sunflower seeds, flaxseed, canola, rapeseed, safflower seed, crambe, sesame and mustard seed), wool, mohair, honey, small chickpeas, lentils and dry peas are available for 2010 commodities.

Loan rates for 2010 commodities are:

Hard Red Winter (bu)	\$2.40	Canola (cwt)*	\$9.66
Hard Red Spring (bu)	\$3.67	Flax (cwt)*	\$9.86
Durum (Hard Amber) (bu)	\$6.02	Mustard (cwt)*	\$10.39
Corn (bu)	\$2.03	Safflower (cwt)*	\$8.33
Barley (bu)	\$1.75	Sunflower (cwt)*	\$9.56
Oats (bu)	\$1.32	Lentils (cwt)*	\$10.41
Peas (cwt)*	\$5.20	Large Chickpeas (cwt)*	\$11.28
Small Chickpeas (cwt)*	\$7.43	Soybeans (cwt)*	\$4.47

*per one hundred pounds

Beneficial interest is retained in the commodity if all of the following remain with the producer:

- Control of the commodity, the commodity must be within their possession; risk of loss; title to the commodity.

Once beneficial interest in the commodity is lost, the commodity remains **ineligible** for a loan or an LDP.

Crop Insurance Requirements for 2011 Crop

Producers must purchase the following on all crops on **all farms in all counties**: A "FARM" is defined as **the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the producer.**

*At least CAT level of crop insurance for all insurable crops and/or NAP coverage for all non-insurable crops. In order to be eligible for disaster programs, you must meet the **Risk Management Purchase Requirement (RMPR)**. The deadline to insure perennial, winter seeded and grazing crops for 2011 is **September 30, 2010**.*

SURE-Supplemental Revenue Assistance Program -provides assistance for crop production and or quality losses due to a natural disaster. To be eligible for SURE the county has to be declared a secretarial disaster designation or be a contiguous county to a disaster declaration and a producer has to have a 10% loss on at least one crop of economic significance **OR** an individual producer with a 50% production loss (a 50% difference between "Normal Production on the Farm" and "Actual Production on the Farm". The Risk Management Purchase Requirement (RMPR) applies to all crops *except grazing* to be eligible for SURE. The deadline for 2008 SURE is September 30, 2010. *Valley County is eligible for SURE for 2009 but sign-up period has not been announced.*

There are two De Minimis exceptions that apply *only* to the SURE program that gives producers the option to waive the RMPR requirements for crops. De Minimis Exception (1) is "crops that are not economically significant (less than 5% of the total production of a SURE farm nationwide)" and exception (2) "a crop for which the administrative fee for NAP coverage exceeds 10% of the value of that coverage". (Any crop's value that exceeds \$9090.90 is considered a crop of economic significance and therefore the NAP fee cannot be waived).

LFP-Livestock Forage Program-Provides compensation to eligible livestock producers who suffer grazing losses due to drought conditions on private and federal land. *Valley County is not eligible for LFP for 2009 or 2010. Grazing insurance is required for 2011 grazing land to be eligible for LFP. Only insured acres will be eligible for LFP. The deadline to obtain the Federal Crop Insurance Rainfall-Index-PRF policy on 2011 grazing acres is **September 30, 2010**. For 2011 and succeeding years, producers are allowed to receive an indemnity on both NAP and RI-PRF for grazing acres. The deadline to apply for NAP on 2011 grazing acres is March 15, 2011.*

LIP-Livestock Indemnity Program-compensates producers for livestock death losses in excess of normal mortality due to adverse weather. There is no RMPR requirement for LIP and there does not need to be a state, county or other trigger declared. There is no sign-up period, but A Notice of Loss needs to be filed with your county office within 30 days of the day the loss is apparent.

ELAP-Emergency Assistance for Livestock, Honey Bees and Farm-Raised Fish Program-ELAP provides emergency relief to eligible producers of livestock, honey bees and farm-raised fish to aid in the reduction of losses not covered under SURE, LIP AND LFP. Losses may occur due to disease, adverse weather and other conditions such as blizzards and wildfires. There are no disaster triggers for ELAP, but insurance (RMPR) is required **on all crops** intended for mechanical harvest.

If you qualify for any of the following, RMPR requirement may be waived for the farm bill disaster programs.

a. Limited Resource Producer (applies to all farm bill programs & NAP)

Producer with **both** of the following: 1.) Direct or indirect gross farm sales not more than \$100,000 in both of the previous 2 years. 2.) Total household income at or below the national poverty level for a family of 4, or less than 50 percent of county median household income in both of the previous 2 years. (Web tool @ <http://www.lfptool.sc.egov.usda.gov/tool.asp>)

b. Beginning Farmer & Rancher (applies only to farm bill disaster programs)

An individual who has not operated a farm or ranch for more than 10 years; and materially and substantially participates in the operation.

c. Socially Disadvantaged (applies only to farm bill disaster programs) A farmer or rancher who is a member of a socially disadvantaged group. A group whose members have been subject to racial or ethnic prejudice because of their identity as members of a group without regard to their individual qualities.

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Consent to IRS for Adjusted Gross Income (AGI) Disclosure

Contact Person: *Stephanie Meier*

The 2008 Farm Bill set limits for AGI on farm income and non-farm income for payment eligibility. In general, the limitations are \$500,000 average nonfarm AGI for commodity programs, \$750,000 average farm AGI for direct payments under the DCP or ACRE program, and \$1 million average nonfarm AGI for conservation programs. The Farm Bill also requires spot checks be made to verify the AGI certifications completed by producers. USDA and IRS have developed an exchange process where strictly AGI information may be verified. Form CCC-927 for Individuals or CCC-928 for Legal Entities must be completed and sent to IRS. These forms authorize the IRS to review, and then verify to FSA, that your adjusted gross income certification is within the requirements for payment eligibility. Failure to complete this form could result in a loss of payments for 2010 or a refund of 2009 payments.

Access Montana Farm Service Agency online @ www.fsa.usda.gov/mt



Montana Farm Service Agency's County Newsletters are available online! You can view and download your county's most recent newsletter on the Montana FSA Website at: www.fsa.usda.gov/mt - just click on Newsletters. Montana's farmers, ranchers and agriculture partners can view important Montana FSA program deadlines and news and sign up to receive email and/or RSS messages as soon as Montana news releases are issued. Also available on this sight are LDP rates, notices, drought maps, egov instructions, etc.

E-government provides a more efficient way to meet the demands of a farm or ranch by doing business with FSA on your own time. Step-by-Step Instructions for doing electronic business with FSA on your home computer are located by accessing the website at: www.fsa.usda.gov/mt.

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