**U.S. Department of Agriculture**
**Farm Service Agency**
Sanders County FSA Office
PO Box 639
7487 MT Hwy 200
Plains, MT 59859
Phone: 406-826-3751 ext 2
Fax: 406-826-3273

County Committee Members
John Holland
Ron Chenoweth

County Committee Meeting:
COC meets monthly on the 2nd Friday at 1:00 P.M.

FSA Office Personnel
Daniel Fehrs, PT
Teresa Rader, FLPT
Fred Smith, FLM
Billy Denison, 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:*
*Fred Smith or Teresa Rader at 406-676-2811 ext 2*

Dates to Remember:
**August 2** - CRP Sign-Up Open Starts
**August 27** - Last Day of CRP Sign-Up
**Sept. 1** – Deadline to report production for ACRE
**Sept. 1** - NAP Application Sales Deadline for Value Loss Crops (2011 Crop Year)
**Sept. 30 -** NAP Acreage Reporting Deadline for Value Loss Crops
**Sept. 30 -** RMA deadline to purchase Forage Production Policy (2011 Crop Year)
**Sept. 30 -** SURE Application Deadline for 2008 Crop Year
**October 2010** – 2010 DCP and ACRE direct payments issued. 2009 additional ACRE payments, if applicable, will also be issued at that time.

FARM SERVICE AGENCY

# Sanders County FSA News
# August 2010

## CRP Sign-up Open August 2 to August 27

Competitive sign-up for the Conservation Reserve Program (CRP) opens on August 2, 2010. From that date through August 27, 2010, producers may offer eligible land for this program. USDA is authorized to maintain CRP enrollment up to 32 million acres. Enrollment is likely to exceed the acreage limit.

CRP provides conservation practices that preserve the soil, clean water, and restore wildlife habitat. Producers enrolling in CRP plant long-term, resource-conserving covers in exchange for annual rental payments, cost-share and technical assistance. Participants voluntarily remove environmentally sensitive land from agricultural production by entering into long-term contracts for 10 to 15 years.

All interested farmers and ranchers should contact the local FSA office soon to learn more about this program.

## SURE Crop Disaster Program has Sept. 30 deadline

The deadline for the Supplemental Revenue Assistance Payments program (SURE) for the 2008 crop year is Sept. 30, 2010. Sign-up for the crop disaster assistance program began on Jan. 4, 2010. There are no provisions for late-filed applications.

The SURE program is an important component of the disaster portion of the 2008 Farm Bill and will provide financial assistance to producers who have suffered crop losses due to natural disasters during the 2008 crop year. Producers who suffered crop production losses during the 2008 crop year are encouraged to visit their local FSA office about eligibility requirements and submit their applications by Sept. 30.

## ACRE Data Deadline Moved to Sept. 1

The deadline for 2009 production certification to comply with ACRE was extended until September 1, 2010. The extension is for completing both the farm benchmark yield (2004 through 2008) and the actual farm yield (2009). Participants in the 2009 ACRE program must certify their yields by September 1, 2010 to remain eligible for ACRE benefits.

## UNAUTHORIZED DISPOSITION OF CROP COLLATERAL

The most common type of violation of marketing assistance loans is removing or disposing of a commodity pledged as loan collateral without prior authorization and providing an incorrect quantity certification If a commodity pledged as collateral for a commodity loan has been disposed of through feeding, selling or any manner without prior written authorization from FSA, it is considered unauthorized disposition. The financial penalties for unauthorized dispositions are severe and the producer's name will be placed on a loan violation list for a two-year period. Always contact your FSA office **before** any commodity under loan is fed or sold.

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## Marketing Assistance Loans

A Marketing Assistance Loan (MAL) is available for producers who share in the risk of producing the crop. To be eligible, a producer must maintain continual beneficial interest in the crop from harvest through the earlier of the date the loan is repaid or Commodity Credit Corporation (CCC) takes title to the commodity. Beneficial interest means retaining the ability to make decisions about the commodity; responsibility for loss or damage to the commodity; and title to the commodity. Once beneficial interest in a commodity is lost, the commodity is ineligible for loan — even if the producer regains beneficial interest.

Commodity loan eligibility requires compliance with conservation and wetland protection requirements; beneficial interest requirements, acreage reporting and ensuring that the commodity meets CCC minimum grade and quality standards. For commodities to be eligible they must have been produced by an eligible producer, be in existence and in a storable condition and be merchantable for food, feed or other uses as determined by CCC. The quality of the commodity in farm storage must be maintained throughout the term of the loan.

Producers do not have to participate in the Direct and Counter-Cyclical and/or ACRE Programs to be eligible for commodity loans.

Violating provisions of a marketing assistance loan may trigger procedures, such as assessing liquidated damages, calling the loan and denial of future commodity loans.

The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

## Wetland Compliance

Producers renting or purchasing land that may have a converted wetland status need to check with the county office to learn if there are restrictions.

Farm Bill regulations provide that, unless exempt, persons are ineligible for benefits under certain programs administered by USDA if they:

- plant an agricultural commodity on wetland that was converted after December 23, 1985
- convert a wetland after November 28, 1990

FSA may not approve any loan or loan guarantee to drain, dredge, fill, level or otherwise manipulate a wetland, or to engage in any activity that results in impairing or reducing the flow, circulation or reach of water except in the case of activity related to the maintenance of previously converted wetlands.

The following provides permitted uses and restrictions within Wetland compliance provisions:

- wetlands can be farmed under natural conditions, but not converted
- wetlands converted before November 28, 1990, cannot be planted to an agricultural commodity and retain eligibility for benefits
- wetlands converted after Nov. 28, 1990, must either be restored to wetland status or mitigated to regain eligibility for program benefits.
- wetlands that can be farmed under natural conditions cannot be manipulated in any way, unless the Natural Resources Conservation Service determines the work would have a minimal effect on the wetland values
- wetlands converted before December 23, 1985, can be farmed and maintained

Additional information about wetlands is available at the USDA Service Center.

## USDA Accepts TAA Petition for Review from Lamb Producers

*Interested Montana lamb producers have until Aug. 9, 2010 to join petition*

BOZEMAN, Mont., July 27, 2010 – The United States Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) has officially announced that it has accepted a petition for review under the fiscal year 2011 Trade Adjustment Assistance (TAA) for Farmers Program. The petition was filed by lamb producers from Idaho, Utah and Wyoming. If Montana producers are interested in joining the petition, they must complete a form FAS-930 by **August 9, 2010.** The form is available on the FAS Web site at: http://www.fas.usda.gov/itp/taa/taaforms.asp. Forms can be sent by fax: (202) 720-0876; or by e-mail: tradeadjustment@fas.usda.gov; or by U.S. mail: TAA, Foreign Agricultural Service, Stop 1021, USDA, 1400 Independence Ave., SW, Washington, DC 20250-1021; or by courier delivery: TAA, Foreign Agricultural Service, Suite 400, USDA, 1250 Maryland Ave., SW, Washington, DC 20024. The use of fax or e-mail is preferred. The TAA for Farmers Program provides technical assistance and cash benefits to eligible U.S. producers and fishermen of raw agricultural commodities whose crops or catch have been adversely affected by imports of like or directly competitive commodities. The TAA for Farmers Program was reauthorized and modified by the American Recovery and Reinvestment Act (ARRA) of 2009. Accepting a petition for review begins the process by which USDA determines a commodity's eligibility under the program. Petitions must demonstrate that either the national average price, or production, or value of production, or cash receipts, of their commodity has declined by greater than 15 percent in the most current year—compared to the previous 3-year average—and that an increase in imports during the same time period contributed importantly to the decline. If a commodity is determined to be eligible, USDA will certify the petition and publish a notice in the *Federal Register*. Affected producers then have 90 days to contact their local USDA Farm Service Agency to apply for assistance under the program.

## Transition Incentives

The Transition Incentives Program (TIP) encourages retired or retiring owners or operators to transition their Conservation Reserve Program (CRP) acres to beginning or socially disadvantaged farmers or ranchers. TIP sign-up opened May 17, 2010. If all program requirements are met, TIP provides annual rental payments to the retiring farmer for up to two additional years after the expiration of the CRP contract, provided the transition is not to a family member. For eligibility requirements producers should visit the FSA county office or www.fsa.usda.gov.

## Actively Engaged

FSA wants to remind producers about the rules that govern the requirements to be 'actively engaged' in farming. These rules apply to eligibility for payments under the Direct and Counter-cyclical Program (DCP) or Average Crop Revenue Election (ACRE) program administered by FSA.

Normally the stockholder or a member of a legal entity **must make contributions of active personal labor and/or active personal management for the farming operation.** The contributions are to be performed on regular basis, must be identifiable, and separate from the contributions of others.

The exception to this rule for a stockholder or member of a legal entity only occurs if both of the following apply:

- At least half of the interest in the legal entity is held by stockholders or members who are providing active personal labor or active personal management; and
- **The total direct payments received, both directly and indirectly, by the legal** entity and each of the members doesn't exceed $40,000.

## Preventing Fraud

The Farm Service Agency supports the Risk Management Agency in the prevention of fraud, waste and abuse of the Federal Crop Insurance Program. FSA has been, and will continue to, assist RMA and insurance providers by monitoring crop conditions throughout the growing season. FSA will continue to refer all suspected cases of fraud, waste and abuse directly to RMA.

Producers can report suspected cases to the FSA office, RMA, or the Office of the Inspector General.

## Loans for the Socially Disadvantaged

FSA has a number of loan programs available to assist applicants to begin or continue in agriculture production. Loans are available for operating type loans and/or purchase or improve farms or ranches.

While all qualified producers are eligible to apply for these loan programs, the FSA has provided priority funding for members of Socially Disadvantaged Applicants.

A socially disadvantaged applicant is one of a group whose members have been subjected to racial, ethnic or gender prejudice because of his or her identity as members of the group without regard to his or her individual qualities.

For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans, and Pacific Islanders.

If producers or their spouses believe they would qualify as socially disadvantaged, they should contact their local FSA office for details. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere.

### 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.

**Sanders County FSA Office**
**PO Box 639**
**Plains, MT 59859**

USDA United States Department of Agriculture

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| Selected Interest Rates for August 2010 | |
|---|---|
| 90-Day Treasury Bill | 0.125% |
| Farm Operating - Direct | 2.5% |
| Farm Ownership - Direct | 4.625% |
| Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher | 1.5% |
| Emergency | 3.75% |

## Electronic Services

If a producer has Internet access, program participants can access many services from home 24 hours a day, seven days a week, and receive approval and payment by direct deposit within 48 hours.

To participate in these services, you must meet all program eligibility requirements. Online services have stringent security measures to protect your private information.

To utilize electronic services requires a *USDA eAuthentication Level 2 Account,* including your e-mail on an online registration form at www.eauth.egov.usda.gov/index.html followed by a visit to the county office for identity verification.

If you have questions, or would like assistance establishing your account, just contact your local USDA Service Center and talk with our trained FSA personnel.