



# NEWSLETTER



## Yellowstone County FSA Office

**February 2011**

**1629 Ave. D, Bldg. A2  
Billings MT 59102**

Phone: (406) 657-6135  
FAX: (406) 657-6277  
www.fsa.usda.gov/mt

### Hours

Monday - Friday  
8:00 a.m. – 5:00 p.m.

### County Committee Members:

**Forrest Ewen-Chair  
Bart Erickson-Vice  
Steve Becker-Reg.  
Juanita Stovall-Min.  
Channis Whiteman-Min**

### County Office Staff:

**Lisa Pederson, PT  
Jackie Gaglia, PT  
Nina Gonzalez, PT  
Kevin Johnson, 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:

**Chrissy Frank, FLPT  
Ext. 100**

**Bruce Johnson, FLO  
Ext. 109**

**Mike Turley, FLM  
Ext. 116**

### Reasonable Accommodations:

Persons with disabilities who  
require accommodations to  
attend or participate in any  
FSA programs should contact  
the County Executive Director  
at the FSA Office or the  
Federal Relay Service at 1-  
800-877-8339.

## County Committee Election Results

Congratulations to Steve Becker! Steve was elected to his first term to represent farmers from LAA3 (area south of the Yellowstone River). The election results for Local Administrative Area 3 are:

- Steve Becker — Elected to the county committee (COC),
- Mike Hammond — 1<sup>st</sup> alternate to COC,

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation. The committee members have held their organizational meeting and determined for 2011, Forrest Ewen will serve as Chairman. Bart Erickson and Steve Becker will serve as Vice Chairman and Regular Member, respectively. A special thanks to Ken Uffelman for serving on the Committee for the past 9 years.

## CHANGES TO YOUR FARMING OPERATION

We encourage producers to notify us immediately of any changes to your farming operation including land ownership or lease changes, entity changes including members and shares, and authorizations to sign documents for the operation or individuals. In some cases, farm and/or tract reconstitutions will be required to update farm records. (The final date for producers to request a reconstitution is August 1, 2011.) It is also your responsibility to ensure your farm operating plan reflects the current contributions of land, capital, equipment, labor and management. Contact Nina Gonzalez @ 657-6135 extension 107 for details.

## CONSERVATION RESERVE PROGRAM – SIGNUP

USDA Farm Service Agency's (FSA) Conservation Reserve Program (CRP) is a voluntary program available to agricultural producers to help them use environmentally sensitive land for conservation benefits. Producers enrolled in CRP plant long-term, resource-conserving covers to improve the quality of water, control soil erosion and develop wildlife habitat. In return, FSA provides participants with rental payments and cost-share assistance. Contract duration is between 10 and 15 years. In addition to the eligible land requirements, cropland must meet one of the following criteria:

- Have a weighted average erosion index of eight or higher;
- Be enrolled in a CRP contract that expires September 30, 2011; or
- Be located in a national or state CRP conservation priority area.

A competitive sign-up for the Conservation Reserve Program (CRP) is expected this spring. Although signup dates have not been announced we're requesting all interested producers contact Jackie Gaglia @ 657-6135 extension 106 prior to March 1, 2011. Making your intentions known allows the eligibility determinations to be made timely.



## Montana Department of Livestock Reminds Brand Owners to Update Addresses

With brand rerecord just around the corner, the Montana Department of Livestock is reminding brand holders to update their mailing addresses. John Grainger, administrator of MDOL's Brands Enforcement Division, said updating addresses is the only way brand holders can get a head start. "With rerecord coming up next year, we're starting to get a lot of calls and questions about the process," Grainger said. "It's basically a two-step process, he added. "First, make sure the mailing address we have on file is up to date, especially if it changed within the past 10 years," Grainger said. "Incorrect addresses can delay delivery of your rerecord notice." Addresses can be updated on the [www.rerecord.mt.gov](http://www.rerecord.mt.gov) web site; by calling the Rerecord Hotline at 460-444-4999 or secondary rerecord lines at 406-444-3812 or 406-444-9431; or by using mail-in cards available at brand offices, markets and other locations. The second step, he said, is waiting for your brand renewal notice, which should arrive in late January 2011. Brand holders who do not receive a brand renewal notice by late February 2011 should contact MDOL's Brands Recorder at 406-444-3812 of the Brands Rerecord Hotline at 406-444-4999.



## IRS Form 1099-G

Producers annually receive CCC-1099-Gs detailing payments producers have received from the Commodity Credit Corporation. The annual report of program payments on CCC-1099-Gs is a service intended to help our customers report taxable income. It is not intended to replace the producers' responsibilities to report income to IRS.

FSA staff cannot interpret IRS regulations or advise producers about which payments to report on their income tax returns. However, county office staff can review payments for accuracy.

## Foreign Buyers 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. All individuals who are not U.S. citizens, and 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 (FSA-153) could result in civil penalties of up to 25 percent of the fair market value of the property. County government offices, realtors, attorneys and others involved in real estate transactions are reminded to notify foreign investors of these reporting requirements.

## Highly Erodible Land and Wetland Conservation Compliance

Landowners and operators are reminded that in order to receive payments from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. Farmers with HEL determined soils are reminded of tillage, crop residue, and rotation requirements as specified per their conservation plan. Producers are to notify the USDA Farm Service Agency prior to sod busting, new breaking, conducting land clearing or drainage projects to insure compliance. Failure to obtain advance approval for any of these situations can result in the loss of eligibility and all Federal payments.

## NAP COVERAGE DEADLINES FOR 2011 CROP YEAR

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 application and sales closing deadline for 2011 NAP coverage is **March 15, 2011**, for all NAP crops other than honey.

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. Contact Lisa Pederson @ 657-6135 ext. 105.

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.

In order for producers to be eligible for assistance under the Supplemental Revenue Assistance (SURE) Program and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), and the Tree Assistance Program (TAP), producers must obtain a plan of insurance for each insurable and non-insurable commodity on the farm, **excluding grazing**. To be eligible for assistance under the Livestock Forage Disaster Program (LFP), producers must obtain either coverage under the Pasture, Rangeland, and Forage Rainfall Index pilot Program offered through crop insurance, or NAP coverage, or both on their grazing. For more information please contact Jackie Gaglia @ 657-6135 ext. 105 or Nina Gonzalez @ ext. 107.

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.



### LIVESTOCK INDEMNITY PROGRAM (LIP)

**LIP is now a standing disaster program that provides benefits to producers with livestock death loss that is in excess of normal mortality, as a direct result of an eligible adverse weather event. To substantiate proof of death normal mortality and otherwise, either verifiable (i.e. vet records), reliable (producer record existing at the time of the death that provides specific details), or a third party certification is required. The third party cannot be affiliated with the operation, i.e. no hired hands or family members. They must be able to provide specific details on their knowledge of livestock deaths, number and kind/type and weight ranges, and any other necessary info.**

**For 2011, producers that suffer losses must file a notice of loss within 30 days of the loss or January 30, 2012, whichever is earlier. Crops, including rangeland, are not required to be insured for LIP eligibility.**

### NEWSLETTER DISTRIBUTION

Producers who would like the county office newsletter delivered by e-mail may request to do so by providing your e-mail address and completing a form. (Each newsletter delivered via e-mail saves the agency \$.39) Once you've provided your e-mail address you will no longer receive a "hard copy". Contact Nina Gonzalez @ 657-6135 ext. 107 to request the form.

### ELIGIBILITY FORMS FOR 2011

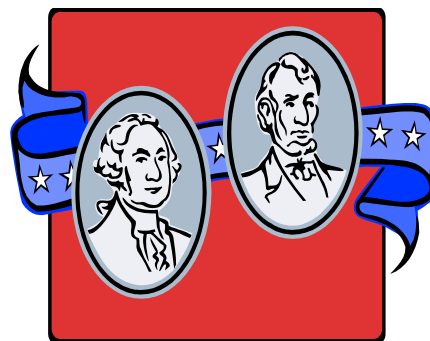
Owners and operators have been provided the Adjusted Gross Income Certification and Consent to Disclosure of Tax Information for 2011. Please read them carefully and complete all requested information. If you did not receive your forms, please contact Nina Gonzalez at (406) 657-6135, Ext. 107.

### Selected Interest Rates - January 2011

90-Day Treasury Bill	.125%
Farm Operating - Direct	1.75%
Farm Ownership and Conservation Loan - Direct	4.500%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.50%
Emergency	3.75%
Farm Storage Facility - 7-year	2.50%
Farm Storage Facility - 10-year	3.125%
Farm Storage Facility - 12-year	3.375%
Commodity Loans 1996-Present	1.25%

### Dates to Remember

Mar. 31, 2011	Final day to request LDP or Marketing Assistance loans on small grains & some oilseeds
May 2, 2011	Final day to mail or drop off completed 2011 maps for crop reporting purposes
May 30, 2011	Office closed for Memorial Day
May 31, 2011	Final day to request LDP or Marketing Assistance loans on corn & some oilseeds
June 1, 2011	Sign-up for DCP /ACRE ends
July 1, 2011	Final day to report crop acreages
July 4, 2011	Office closed for Independence Day
July 29, 2011	Sign-up for SURE ends. (2009 crop losses)



YELLOWSTONE COUNTY  
FSA  
1629 Ave. D, Bldg. A2  
Billings, MT 59102



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## 2009 Supplemental Revenue Assistance Payments Program (SURE)

The 2008 Farm Bill created several new disaster programs. One of the programs, the Supplemental Revenue Assistance Payments Program (SURE), provides financial assistance for crop production and/or quality losses due to a natural disaster. SURE is a total farm revenue disaster program as opposed to the crop disaster programs of previous years, which were primarily production oriented programs. Therefore, ALL crops of economic significance that a producer has an interest in are not only evaluated as to the production loss and quality, but revenue as well.

**TRIGGER** - A 2009 Secretarial Disaster designation in Yellowstone County triggers the program in the County for 2009. Therefore, in 2009, producers with at least one crop of economic significance with a 10 percent crop production loss could qualify for benefits.

**ELIGIBILITY REQUIREMENTS** - To be eligible for SURE assistance in 2009, producers had to have a plan of crop insurance of at least catastrophic (CAT) level for all insurable crops and cropping scenarios; and/or Non-insured Crop Disaster Assistance Program (NAP) coverage for non-insurable crops. (Forage crops for grazing and crops not expected to contribute 5% of the total expected value of all crops grown by the producer, did not have to be insured.)

**PAYMENTS** - SURE will issue payments to an eligible producer in the amount equal to 60% of the difference between the program guarantee and the total farm revenue. SURE will pay up to 90% of the crop's normal production on the farm.

**Program Guarantee:** Acres x Yield x Price x Coverage Level x Price Election x Statue % x Share = program guarantee. The program guarantee for the farm cannot be greater than 90% of the total of the normal production of the farm.

**Total Farm Revenue:** Acres x Actual Yield = Actual Production x National Agriculture Statistics Service (NASS) Price is the 12 month marketing year for each commodity. For actual production, data will be used from the Risk Management Agency (RMA) and NAP. (If the program guarantee is more than the total farm revenue, then the producer will be paid at 60% of the difference.)

If you meet the guidelines of the program in 2009, i.e. a 10% production loss (associated with adverse weather) on one crop of economic significance and crop insurance (CAT/NAP) purchased on all 2009 crops (other than the exceptions previously explained), contact Jackie Gaglia at (406) 657-6135 ext. 106 as soon as possible. Signup for 2009 crops begins January 10, 2011 and ends on July 29, 2011.