



# NEWSLETTER



## Important Program Updates from Montana Farm Service Agency

Many programs under the 2008 Farm Bill have been extended through September 30, 2013. FSA Programs that have been extended include, among others: the Direct and Counter-Cyclical Payment Program (DCP), the Average Crop Revenue Election Program (ACRE), and the Milk Income Loss Contract Program (MILC).

**2013 DCP/ACRE SIGNUP ANNOUNCED:** FSA will begin signup for the Direct and Counter-Cyclical Payment Program (DCP) and Average Crop Revenue Election Program (ACRE) for 2013 crops on February 19, 2013. The DCP signup period will end on August 2, 2013; the ACRE signup period will end on June 3, 2013. The 2013 DCP and ACRE program provisions are unchanged from 2012, except that all eligible participants in 2013 may choose to enroll in either DCP or ACRE for the 2013 crop year. This means that eligible producers who were enrolled in ACRE in 2012 may elect to enroll in DCP in 2013 or may re-enroll in ACRE in 2013 (and vice versa). Please contact the FSA county office to schedule an appointment if you are interested.

**2013 Non-insured Crop Disaster Assistance Program (NAP):** Sales closing date for 2013 spring planted and forage crops (including grass for hay and grazing) that are not insurable through crop insurance, is March 15, 2013. Please see the NAP article on the next page for additional details.

**2013 MILC DAIRY PROGRAM:** All dairy producers' Milk Income Loss Contract Program (MILC) contracts are automatically extended to September 30, 2013. Eligible producers therefore do not need to re-enroll in MILC. Approximate payment rates are as follows: September \$.59 October \$.02; November \$0/cwt. Producers will need to complete applicable 2013 payment eligibility documents before any payments may be processed. Producers who want to make changes to their production start month should contact FSA between Feb. 1 and Feb. 28.

**SURE 2011 CROP DISASTER PROGRAM SIGNUP:** FSA county offices across Montana are accepting applications for the Supplemental Revenue Assistance Payments Crop Disaster (SURE) Program Signup for 2011 crop year. The program signup began on October 22, 2012 and ends on June 7, 2013. See article on next page for program details. A map of Montana's 2011 Secretarial Disaster Designations by county and a SURE factsheet are available at [www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt).

**Adjusted Gross Income (AGI) Guidelines** have been announced for 2013 and remain the same as for 2012. Please see details on next page.

**NEW 2013 FSA CROP/ACREAGE REPORTING DEADLINES** are on page two of this newsletter.

**DISASTER PROGRAMS NOT FUNDED:** Four FSA disaster programs were extended through September 30, 2013 however as of Feb. 1, 2013 they have NOT been funded. Programs include the Livestock Indemnity Program (LIP), Livestock Forage Disaster Program (LFP), Emergency Livestock Assistance Program (ELAP) and the Tree Assistance Program (TAP). The SURE Program was not extended for 2012 or 2013 crop losses. In the meantime, FSA encourages producers to keep good records and receipts relating to livestock and crop losses.



**VISIT FSA ONLINE:** FSA program factsheets are available on the Montana FSA internet page at [www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt) and the national FSA internet site: [www.fsa.usda.gov](http://www.fsa.usda.gov) under "I want to...".

## Montana Farm Service Agency State eNewsletter

### February 2013

#### Montana State FSA Committee:

Steve Carney, *Chair*  
Floyd Dahlgren, *Member*  
Kelly Flaherty-Settle, *Member*  
Hans McPherson, *Member*  
Patricia Quisno, *Member*

#### State Executive Director Bruce Nelson

P.O. Box 670  
Bozeman, MT 59771  
406-587-6872 phone  
406-587-6887 fax

#### Montana FSA Web site: [www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt)

#### Hours:

Monday - Friday  
7:30 a.m. - 4:30 p.m.

#### Upcoming 2013 State Committee Meeting:

March 19-20 in the Montana State  
Office located at 10 East Babcock  
on the 5th Floor of the Federal  
Building in Bozeman.

#### FSA State Office Management:

Amy Webbink,  
*Chief Administrative Officer*  
Dave Pitts, *Farm Loan Chief*  
Heidi Brewer,  
*PriceSupport/Conservation/Common  
Programs Chief Program Specialist*  
Shelly Rolando, *Disaster and  
Compliance Program Chief*  
Jennifer Perez Cole, *Public Affairs  
Specialist. Outreach Coordinator,  
State Civil Rights Coordinator*

#### Need accommodations?:

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, contact the State or County Executive Director directly or by phone at the county FSA Office or the Federal Relay Service at 1-800-877-8339.



## New 2013 Crop Year Acreage Reporting Deadlines

Producers are reminded to file their acreage reports by the deadline of :

- **July 15, 2013:** for Spring Alfalfa Seed, Barley, Canola, Corn, Dry Beans, Dry Peas, Flax, Forage Seeding, Mustard, Spring Oats, Potatoes, Safflower, Sugar Beets, Sunflowers, Spring Wheat, CRP and all other crops.

In addition, the following 2013 crops were required to be reported by the following dates to be considered timely filed:

- **November 15, 2012:** Perennial Forage (alfalfa or grass hay), Pasture, Rangeland, and Forage (PRF), Native and Tame Pasture, Apiculture, Fall Wheat (HRW), and all other Fall-Seeded Small Grains
- **January 2, 2013** – (or 30 days after placement of colonies) Honey covered under NAP
- **January 15, 2013** – Established Stand Alfalfa Seed, Fall Alfalfa Seed, Cherries

Any crop reported after the applicable deadline for the crop will be considered late-filed. Producers are encouraged to contact the local FSA county office for an appointment to complete your 2013 acreage report.



## 2011 Crop Disaster Signup Deadline: June 7, 2013

Enrollment for Montana farmers with 2011 crop losses to signup under the Supplemental Revenue Assistance Payments (SURE) program began October 22. The deadline for the 2011 SURE program sign-up is June 7, 2013. Producers must have a policy or plan of insurance under Federal Crop Insurance or the Noninsured Crop Disaster Assistance Program (NAP) for all crops considered to be economically significant. SURE is available to eligible producers on:

- farms in counties with Secretarial disaster declarations, including contiguous counties, that have incurred at least a 10 percent crop production loss or quality loss, or both, on at least one crop of economic significance on crops grown by a producer nationwide, except grazed crops; or
- farms in which, for the crop year, an overall loss greater than 50 percent of the actual production on the farm compared to normal production for the farm.

For more information, call or visit your local FSA county office. A map of Montana counties that were designated as 2011 primary or contiguous secretarial disaster counties and more information about FSA programs are available on the state FSA Web site at

[www.fsa.usda.gov/mt](http://www.fsa.usda.gov/mt).



## 2013 NAP Crop Coverage Deadline

The Noninsured Crop Disaster Assistance Program (NAP) provides financial assistance to eligible producers affected by a natural disaster. The program covers crops for which Federal Crop Insurance is not available. NAP covers losses greater than 50 percent of your expected production, based upon your approved yield and reported acreage. To apply for 2013 crop coverage, producers must complete a CCC-471 application for coverage and pay the service fee. The application and service fee must be filed by the applicable sales closing date. The service fee is \$250 per crop per county or \$750 per producer per county, not to exceed \$1,875 per producer in all counties. Producers must purchase NAP policies for all spring planted crops, including grass for hay and grazing, by the 2013 sales closing date of **March 15, 2013**.

## Annual Notifications:

### Payment Eligibility for Producers:

USDA payments and benefits are subject to producer eligibility and limitation provisions as defined by law. FSA program benefits may not be provided to any producer until the applicable payment eligibility determinations are made. A producer will remain ineligible until all required forms for the specific situation are provided.

### Average Adjusted Gross Income (AGI) :

For 2013, there are four qualifying levels for AGI provisions as follows:

- 1) **\$500,000 Nonfarm Income** – If a person or legal entity has average adjusted nonfarm income that exceeds, \$500,000, the person or legal entity is ineligible for all commodity, disaster and price support program payments and benefits.
- 2) **\$750,000 Farm Income** – If a person or legal entity has average adjusted farm income that exceeds \$750,000, the person or legal entity is ineligible for DCP direct payments only.
- 3) **\$1,000,000 Nonfarm Income** – If a person or legal entity has average adjusted nonfarm income that exceeds \$1,000,000, the person or legal entity is ineligible for all conservation program benefits unless at least 66.66 percent of total AGI is average adjusted gross income from farming, ranching or forestry operations.
- 4) **\$1,000,000 Total Farm and Nonfarm Income** – If a person or legal entity has average adjusted farm and nonfarm income that exceeds \$1,000,000, the person or legal entity is ineligible for 2013 direct payments under DCP.

Form CCC-933 must be completed to authorize the AGI certification process in conjunction with the IRS. The average AGI is based on the average adjusted gross income for the three taxable years preceding the most immediately preceding complete taxable year. For the 2013 program year, the three taxable years for AGI would include 2009, 2010 and 2011.

### Payment Limitations:

Several FSA programs are subject to payment limitation provisions. Violation of any of these provisions may subject the producer to loss of payment and possible prosecution. The following are current FSA program payment limitations:

| Program:           | Limit:    |
|--------------------|-----------|
| DCP Program:       | \$40,000  |
| DCP CC/ACRE:       | \$65,000  |
| CRP:               | \$50,000  |
| SURE, LIP, LFP:    | \$100,000 |
| NAP:               | \$100,000 |
| LDP, Market Grain: | No Limit  |

**Eligibility:** Specific eligibility criteria exists for the DCP and ACRE programs. Contact your nearest county FSA office for further information regarding these and other provisions: 1) Actively Engaged, 2) Cash-Rent Tenant Rule and 3) Foreign Persons.

## Report Farm Operation Changes

Remember to keep FSA up-to-date on any changes to your operation. If you have purchased, sold or transferred land, formed a new entity, have a new lease, have dropped a lease, or have converted land to a non-ag use, please make certain you report the changes to the office as soon as possible. Please also notify the FSA as soon as possible upon the death of a participant, landowner, or member of a participating entity, or upon changing ownership shares of an entity as it may be necessary to modify contracts for the current year or complete updated eligibility forms. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and/or penalties.



## FSA Farm Loans Available Due to Drought and Fires

For producers impacted by 2012 drought or fire, the FSA Farm Loan Programs may assist you:

- Direct Operating (OL), Emergency (EM) Loans, and also Guaranteed Operating and Farm Ownership Loans. These loan programs can be considered for refinancing carryover debt, purchasing livestock feed, replacing or repairing fences or structures that were damaged or destroyed by the disaster.
- The Disaster Set-Aside Program allows existing FSA direct borrowers who are unable to make their FSA payment to be considered for a set-aside of the FSA payment to help the borrower recover from the disaster.
- FSA Primary Loan Servicing Programs can be used by existing FSA direct loan borrowers who are unable to make their scheduled payments due to the disaster. These loan servicing options include: rescheduling, reamortization, consolidation, deferral or write-down of the FSA debt.

## Beginning Farmer & Rancher Loans

FSA is often referred to as "The Lender of First Opportunity" because of our dedication to assisting beginning farmers. Prioritized funding is available for beginning farmers applying for operating and farm ownership loans. In addition, the Downpayment Loan Program and Land Contract Guarantee Program are exclusively offered to socially disadvantaged (previously known as minority) and beginning farmers.

**\*NEW\* A Microloan Program** is now available that is designed to help small and family operations, beginning and socially disadvantaged farmers secure loans under \$35,000.

*Producers interested in applying for an FSA loan should contact their local FSA county office to set up an appointment with the Farm Loan Program staff serving your area.*

## Attention Hispanic and Women Farmers and Ranchers

If you or someone you know believes the United States Department of Agriculture (USDA) has improperly denied you farm loan benefits between 1981 and 2000 because you are Hispanic or female, you may be eligible to apply for compensation. Claims **MUST** be filed between Sept. 24, 2012 and **March 25, 2013** to be considered for cash payment or loan forgiveness. If you think you might be eligible to file a claim, please access the Farmer and Rancher Call Center or Website: 1-888-508-4429 and [www.farmerclaims.gov](http://www.farmerclaims.gov). For guidance, you may contact an attorney or other legal service provider in your community. If you are currently represented by an attorney regarding allegations of discrimination or in a lawsuit claiming discrimination, you should contact your attorney regarding this claims process. USDA cannot provide legal advice.



## Remember Conservation Compliance... Before You Expand a Field, Till a New Field, Clear or Drain Land

Please remember in order to receive benefits from USDA, compliance with Highly Erodible Land (HEL) and Wetland Conservation (WC) provisions are required. It is important that you understand the status of land if you plan to participate in any USDA programs.

To be eligible for USDA benefits, all producers planting agricultural commodities on predominantly highly erodible land are required to do so according to the provisions of an approved conservation system.

Be sure to follow tillage, crop residue, and rotation requirements. Status reviews are conducted by the Natural Resources Conservation Service (NRCS) to ensure producers follow an approved conservation system on highly erodible land. Violations can lead to possible ineligibility for USDA program benefits.



## Reporting Payments for Tax Purposes

CCC-1099-G forms detailing payments issued by the Commodity Credit Corporation (CCC) or Farm Service Agency (FSA) have been mailed to producers. The annual report of payments on the CCC-1099-G form is a service intended to help our customers report taxable income. It is not intended to replace your responsibilities to report to the IRS or Montana Department of Revenue. Remember, payments you refund to FSA are not accounted for on the CCC-1099-G. If FSA payments issued to you total less than \$600, you will not receive a CCC-1099-G. Please make certain you verify the accuracy of the payment amounts listed on the CCC-1099-G and account for any refunds before reporting for tax purposes.

## County Committee Election Results

Congratulations to all of the newly elected County Committee members. The FSA County Committee members serve to represent the local farmers and ranchers. We would like to thank the Committee members and the voters for taking the time to complete the election ballot. The main reason the FSA County Committee system works well is because of the participation of all of these folks. Thank you!

## ACRE Participants - Submit 2012 Production

Participants in the 2012 ACRE program are encouraged to submit production reports to their local FSA Office now. The final date to submit 2012 production reports is July 15, 2013. The final calculation of 2012 ACRE revenue payments will occur after the end of the 2012 marketing year (fall of 2013).

**FOR CURRENT INTEREST RATES** contact the county office.

### Upcoming Important Dates:

- **March 15:** Noninsured Crop Disaster Assistance Program (NAP) Sales Closing Date for 2013 Crops (Except Honey and Value Loss)
- **March 16:** Conservation Reserve Program (CRP) Managed Spring Grazing Period Begins (with County Committee Approval of Request)
- **March 25:** USDA Claims Filing Deadline for Hispanic & Women Farmers and Ranchers (Contact: 1-888-508-4429 and [www.farmerclaims.gov](http://www.farmerclaims.gov))
- **March 31:** Final date to apply for Loans or LDPs on 2012 crop year harvested barley, canola, crambe, flaxseed, honey, oats, rapeseed, wheat, e seed
- **May 14:** CRP Managed Spring Grazing Period Ends
- **May 31:** Final date to apply for MALs or LDPs on 2012 crop year harvested corn, dry peas, grain sorghum, lentils, mustard seed, rice, safflower seed, chickpeas, soybeans and sunflower seed
- **June 3:** 2013 ACRE Program Signup Deadline
- **June 7:** Supplemental Revenue Assistance Payments (SURE) Crop Disaster Program Signup Deadline for 2011 Crop Year
- **July 15:** 2013 Crop Year Acreage Reporting Deadline for Spring Seeded: Grass, Mixed Forage, Alfalfa, Clover, the year of seeding (annual & perennial types), Barley, Canola, Corn, Dry Beans, Dry Peas, Flax, Mustard, Spring Oats, Potatoes, Safflower, Sugar Beets, Sunflowers, Spring Wheat, CRP and all other crops
- **July 15:** 2012 Crop Year NAP Production Reporting Deadline & 2012 Crop Year NAP Application for Payment Deadline
- **July 15:** 2012 Crop Year ACRE Production Report Deadline
- **July 16:** CRP Managed Summer/Fall Grazing Period Begins (with County Committee Approval of Request)
- **Aug. 2:** 2013 DCP Program Signup Deadline
- **Sept. 13:** CRP Managed Summer/Fall Grazing Period Ends
- **Sept. 30:** MILC Contracts Expire
- **Nov. 12:** All Hay Bales Must be Removed from CRP Acres
- **Nov. 15:** 2014 Crop Year FSA Acreage Reporting Deadline for Fall Seeded: Grass, Mixed Forage, Alfalfa, Clover, the year of seeding (annual and perennial types), Established Grass, Mixed Forage, Alfalfa, Clover in years subsequent to the year of seeding (perennial types), Apiculture, Fall Wheat, and all other Fall-Seeded Small Grains

**Montana FSA State Office**  
**P.O. Box 670**  
**Bozeman, MT 59771**



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### USDA Nondiscrimination Statement/Complaint Process:

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