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## Montana FSA: April 2015 eNewsletter

## USDA Montana Farm Service Agency

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# ARC & PLC Deadline Extended to April 7

Agriculture Secretary Tom Vilsack provided farm owners and producers one additional week, until April 7, 2015, to choose between Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC), the safety-net programs established by the 2014 Farm Bill. The final day to update yield history or reallocate base acres also will be April 7, 2015.

Nearly 98 percent of owners have already updated yield and base acres, and 90 percent of producers have enrolled in ARC or PLC. These numbers are strong, and continue to rise. This additional week will give producers a more time to have those final conversations, review their data, visit their local Farm Service Agency

## Montana USDA Directories:

Online Directory of FSA Offices

PDF of Montana FSA Directory

PDF of Montana USDA Directory

### Reasonable Accommodations:

People with disabilities who require accommodations to participate in FSA programs should contact the County Executive Director in the FSA Office in your area or Federal Relay Service at 1-800-877-8339. Alternatively, you may also contact Montana FSA Civil Rights Coordinator Jennifer Cole at (406) 587-6786 or jennifer.cole@mt.usda.gov.

offices to make decisions.

If no changes are made to yield history or base acres by the deadline, the farm's current yield and base acres will be used. If a program choice of ARC or PLC is not made, there will be no 2014 crop year payments for the farm and the farm will default to PLC coverage for the 2015 through 2018 crop years. Producers who have an appointment at their local FSA offices scheduled by April 7 will be able to make an election between ARC and PLC, even if their actual appointment is after April 7.

These safety-net programs provide important financial protection against unexpected changes in the marketplace. As part of the strong education and outreach campaign launched by the U.S. Department of Agriculture (USDA) in September, to date more than 5 million educational postcards, in English and Spanish, have been sent to producers nationwide, and more than 5,000 events with more than 430,000 attendees, including training sessions and speaking engagements, have been conducted to educate producers on the programs. The online tools, available at www.fsa.usda.gov/arc-plc, which allow producers to explore how ARC or PLC coverage will affect their operation, have been presented to more than 3,400 groups.

Covered commodities under ARC and PLC include barley, canola, large and small chickpeas, corn, crambe, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium grain rice (which includes short grain and sweet rice), safflower seed, sesame, soybeans, sunflower seed and wheat. Upland cotton is no longer a covered commodity.

Producers need to contact the Farm Service Agency by April 7. To learn more, farmers can contact their local Farm Service Agency county office. To find local offices, visit <a href="http://offices.usda.gov">http://offices.usda.gov</a>.

## **USDA Implements 2014 Farm Bill Provision to Limit Payments to Non-Farmers**

#### Department Proposes Changes to "Actively Engaged" Rule

USDA has announced a proposed rule to limit farm payments to non-farmers, consistent with requirements Congress mandated in the 2014 Farm Bill. The changes specified in the rule would apply to payment eligibility for 2016 and subsequent crop years for Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) Programs, loan deficiency payments and marketing loan gains realized via the Marketing Assistance Loan program. The proposed rule limits farm payments to individuals who may be designated as farm managers but are not actively engaged in farm management. In the Farm Bill, Congress gave USDA the authority to address this loophole for joint ventures and general partnerships, while exempting family farm operations from being impacted by the new rule USDA ultimately implements.

The current definition of "actively engaged" for managers, established in 1987, is broad, allowing individuals with little to no contributions to critical farm management decisions to receive safety-net payments if they are classified as farm managers, and for some operations there were an unlimited number of managers that could receive payments.

The proposed rule seeks to close this loophole to the extent possible within the guidelines required by the 2014 Farm Bill. Under the proposed rule, non-family joint ventures and general partnerships must document that their managers are making significant contributions to the farming operation, defined as 500 hours of substantial management work per year, or 25 percent of the critical management time necessary for the success of the farming operation. Many operations will be limited to only one manager who can receive a safety-net payment. Operators that can demonstrate they are large and complex could be allowed payments for up to three managers only if they can show all three are actively and substantially engaged in farm operations.

As mandated by Congress, family farms will not be impacted. There will also be no change to existing rules for contributions to land, capital, equipment, or labor. Only non-family farm general partnerships or joint ventures comprised of more than one member will be impacted by this proposed rule.

Stakeholders interested in commenting on the proposed definition and changes are encouraged to provide written comments at <a href="www.regulations.gov">www.regulations.gov</a> by May 26, 2015. The proposed rule is available at <a href="http://go.usa.gov/3C6Kk">http://go.usa.gov/3C6Kk</a>.

#### **Emergency Loan Program**

FSA's Emergency Loan Program is available for agricultural producers in counties designated as primary or contiguous natural disaster areas. Montana disaster designation maps for 2014 and 2015 are linked below. Eligible producers have eight months from the date of the disaster designation to apply for low-interest emergency loans to 1.) restore or replace essential property; 2.) pay all or part of production costs associated with the disaster year; 3.) pay essential family living expenses; or 4.) refinance certain debts, excluding real estate.

Producers suffering losses from natural disasters should report these losses to their local FSA office, particularly physical losses. Not all disaster designations trigger emergency loans for individuals. Not all disaster designations qualifying for emergency loans to individuals cover physical losses (fences, buildings, based herd livestock, machinery & equipment, etc.). Most disaster designations trigger installment set-aside for existing loan customers (one payment moved to the end of the loan when the disaster causes the inability to make the payment).

Producers interested in applying for an emergency loan, or other FLP loans, should contact their local FSA office to set up an appointment with the Farm Loan Program staff serving your area.

- A current list of Montana disaster designations is available electronically for 2014 and 2015.
- An Emergency Loan factsheet is available electronically **HERE**.
- The link to the national FLP page is <u>HERE.</u>

#### **Filing for NAP Losses**

The CCC-576, Notice of Loss, documents a producer's loss or damage to a crop or commodity due to an eligible cause of loss, as well as failed acreage and prevented planting. A CCC-576, Notice of Loss must be provided for prevented planting claims, within 15 calendar days after the final planting date established for the crop, and for low yield claims, the earlier of:

- 15 calendar days after the disaster occurrence or date of loss or damage to the crop first becomes apparent
- 15 calendar days after the normal harvest date established for the crop.

Timely filing a Notice of Loss is required for all crops including grasses. For losses on crops covered by the Non-Insured Crop Disaster Assistance Program (NAP) and crop insurance, you must file a CCC-576, Notice of Loss, in the FSA County Office by the dates previously mentioned.

An acreage report and CCC-576 must be on file prior to the Notice of Loss being filed.

A Montana NAP factsheet is available electronically **HERE**.

#### **Livestock Indemnity Program (LIP)**

The Livestock Indemnity Program (LIP) provides assistance to eligible producers for livestock death losses in excess of normal mortality due to adverse weather and attacks by animals reintroduced into the wild by the federal government or protected by federal law. LIP compensates livestock owners and contract growers for livestock death losses in excess of normal mortality due to adverse weather, including losses due to hurricanes, floods, blizzards, wildfires, extreme heat or extreme cold.

For 2015, eligible losses must occur on or after Jan. 1, 2015, and before Dec. 31, 2015. A notice of loss must be filed with FSA within 30 days of when the loss of livestock is apparent. Participants must provide the following supporting documentation to their local FSA office no later than 30 calendar days after the end of the calendar year for which benefits are requested:

- Proof of death documentation
- Copy of growers contracts
- Proof of normal mortality documentation
- A notice of loss the earlier of 30 calendar days of when the loss was apparent or by Jan. 30, 2016
- An application for payment by Jan. 30, 2016.

A LIP factsheet is available electronically **HERE**.

For information about LIP contact your local FSA office or visit FSA online at: www.fsa.usda.gov/mt/mt.

# 2015 Emergency Assistance for Livestock, Honeybee, and Farm-Raised Fish Program (ELAP)

The Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP), reauthorized by the 2014 Farm Bill, provides disaster relief to livestock, honeybee, and farm-raised fish producers for losses not covered by other agricultural disaster assistance programs. Eligible losses may include losses to grazing land, mechanically harvested and purchased forage or feed stuff, additional cost of purchasing livestock feed above normal quantities, certain costs associated with transporting livestock feed to eligible livestock, and additional cost of transporting water to eligible livestock caused as a result of excessive heat or winds, flooding, blizzards, hail, wildfires, lightning strikes, and diseases, or in the case of honeybees, losses due to colony collapse disorder, physical losses to hives, and purchased and harvested honeybee feed. The 2015 ELAP program year began Oct. 1, 2014 and continues through Sept. 30, 2015.

Producers who suffer eligible livestock, honeybee, or farm-raised fish losses from Oct. 1, 2014 to Sept. 30, 2015 must file:

- A notice of loss the earlier of 30 calendar days of when the loss is apparent or by Nov. 2, 2015
- An application for payment by Nov. 2, 2015

There are no late-file provisions for filing a notice of loss or application for payment.

The Farm Bill caps ELAP disaster funding at \$20 million per federal fiscal year.

The following ELAP Fact Sheets (by topic) are available online:

- ELAP for Farm-Raised Fish Fact Sheet
- ELAP for Livestock Fact Sheet
- ELAP for Honeybees Fact Sheet

To view these click on the link above. To view more FSA program fact sheets, visit the FSA fact sheet web page at www.fsa.usda.gov/factsheets.

#### **Breaking New Ground**

Producers requesting USDA benefits are reminded to follow the Highly Erodible Land Conservation (HELC) provisions provided in the 1985 Food Security Act, as amended. In order to maintain eligibility for USDA programs, all producers planting agricultural commodities on predominantly highly erodible land (HEL) shall ensure they are following tillage, crop residue, and rotation requirements according to the provisions of an approved conservation system or conservation plan. Producers should contact their local Farm Service Agency (FSA) prior to breaking new ground to file an AD-1026.

Producers are also reminded to follow the Wetland Conservation (WC) provisions. The 1985 Food Security Act, as amended, states that producers are ineligible for benefits if they plant agricultural commodities on wetlands that were converted after December 23, 1985 or convert a wetland after November 28, 1990, by draining, dredging, filling, leveling, or any other means for the purpose, or to have the effect, of making the production of an agricultural commodity possible.

Annual reviews are conducted by FSA and the Natural Resources Conservation Service (NRCS) to ensure producers follow an approved conservation system or conservation plan on highly erodible land and to ensure that identified wetlands have not been altered. Violations may lead to ineligibility for USDA program benefits.

A HELC-WC factsheet is available electronically HERE.

#### **USDA Sorghum Referendum Scheduled March 23 to April 21**

USDA is announcing procedures for the upcoming referendum regarding the continuation of the Sorghum Checkoff Program and is announcing the dates it will conduct the referendum.

The Sorghum Promotion, Research, and Information Order requires that a referendum be conducted no later than seven years after the start of assessments, which began on July 1, 2008. For the program to continue, a majority of those voting must favor the continuation of the order.

USDA will conduct the referendum beginning on March 23, 2015, through April 21, 2015, at county USDA Farm Service Agency (FSA) offices for producers and the Agricultural Marketing Service office for importers. Ballots may be obtained in person, by mail or facsimile at county FSA offices, or via the Internet.

Any eligible person engaged in the production or importation of sorghum from January 1, 2011, to December 31, 2014, is eligible to participate. Individuals are required to provide documentation such as a sales receipt or remittance form that shows they engaged in the production or importation of sorghum.

The Sorghum Checkoff Program, and its 13-member board, is authorized by the Commodity Promotion, Research, and Information Act of 1996. The Sorghum Checkoff is intended to be a national, coordinated, self-help marketing program designed to strengthen the position of sorghum in the marketplace, maintain and expand existing domestic and foreign markets and uses for sorghum, and develop new markets and uses for sorghum.

The final procedures were published in the Nov. 18, 2010, Federal Register. The notice announcing the dates of the referendum were published in the Feb. 19, 2015, Federal Register.

For more information, contact Craig Shackelford, Marketing Specialist, Research and Promotion Division, Livestock, Poultry, and Seed Program, AMS, USDA, 22 Jamesport Lane, White, GA 30184; Telephone: (470) 315-4246; <a href="mailto:craig.shackelford@ams.usda.gov">craig.shackelford@ams.usda.gov</a>. Procedures and additional information about the referendum can be found at: <a href="mailto:www.ams.usda.gov/SorghumReferendum">www.ams.usda.gov/SorghumReferendum</a>.

#### **Important FSA Dates to Remember**

- April 7: Deadline for Landowners to Update Yield History and/or Reallocate Base Acres
- **April 7:** Deadline for Producers to Make a One-Time Election of Either ARC or PLC for the 2014 through 2018 Crop Years
- April 21: Deadline for Sorghum Producers to Submit Sorghum Checkoff Program Referendum to Local FSA Offices
- May 14: CRP Managed Spring Grazing Period Ends
- May 15 to July 15: Primary and Broodrearing Nesting Season

- May 26: Deadline to Submit Written Comment to USDA on Actively Engaged Proposed Rule
- **June 1:** Final LDP Availability Dates for Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Safflower, Small Chickpeas, Large Chickpeas, Soybeans and Sunflower Seed
- July 15: 2015 Acreage Reporting Deadline for Spring Seeded Alfalfa Seed, Forage Seeding, Conservation Reserve Program (CRP), Fruit (except Cherries), Vegetables, Christmas Trees, and all Spring-Seeded Crops and any other crops not required to be reported by previously announced deadlines
- July 15: Final 2014 NAP Production Reports Are Due
- **July 16:** CRP Summer/Fall Managed Haying and Grazing Begins (with County Committee Approval of Request)
- Sept. 1: 2016 NAP Application Closing Date for Value-Loss Crops
- **Sept. 30**: 2016 NAP Application Closing Date for Annual Fall-Seeded Crops, Perennial Forage and Grazing, Mixed Forage Crops, Rye, Speltz, Triticale, and Wheat

# MSU Extension offering grant writing workshops for local food groups

By MSU Extension Service

Montana State University Extension is offering training workshops designed to help improve the success rate of local food groups in applying for federal grants that can assist individuals and organizations in their efforts.

MSU Extension, in partnership with U.S. Department of Agriculture's Agricultural Marketing Service, has developed workshop materials and resources to boost the chances of applicants to funding USDA funding grant programs like the Farmers Market Promotion and the Local Food Promotion.

The schedule for these daylong workshop is:

- April 2, Bozeman, Bozeman Public Library, 626 East Main Street;
- April 7, Billings, Yellowstone County Courthouse, 217 North 27th Street, Room 105;
- April 27, Missoula, County Extension Conference Room, 2825 Santa Fe Court.

To register, contact Keri Hayes at 406-994-3511 or email <a href="mailto:khayes@montana.edu">khayes@montana.edu</a> or your local county Extension office:

- Bozeman, contact Emily Lockard at (406) 388-3213 or emily.lockard@montana.edu;
- Billings, contact Steve Lackman at (406) 256-2828 or stevelackman@montana.edu;
- Missoula, register here.

For further information visit MSU Extension's Agricultural Marketing Service Technical Assistance Program (AMSTA) website at <a href="http://www.montana.edu/amsta">http://www.montana.edu/amsta</a> and National AMSTA website at <a href="http://www.amsta.net">http://www.amsta.net</a>.

MSU Extension Contact: George Haynes, (406) 994-5012 or (406) 581-9209, haynes@montana.edu.

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).