October 2015



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Montana FSA: October 2015 eNewsletter

USDA Farm Service Agency - Montana

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Fall Acreage Reporting Deadline: Nov. 16

Producers with the following 2016 crops must report the crops no later than November 16, 2015 to avoid late-file fees: Apiculture, Perennial Forage, Pasture, Rangeland, Forage (PRF) including native grass, fall wheat (Hard Red Winter), and all other fall-seeded small grains. The aforementioned crops must be reported to FSA by **Nov.16, 2015** to be

State Committee:

Steve Carney, Chair Floyd Dahlman Kelly Flaherty-Settle Anita Matt Patricia Quisno

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.

considered timely filed in order to comply with FSA program eligibility requirements. Producers are encouraged to visit their local FSA office to file an accurate, timely crop certification report no later than Nov. 16.

The following exceptions apply to the above acreage reporting date:

- If the crop has not been planted by the above acreage reporting date, then the acreage must be reported no later than 15 calendar days after planting is completed.
- If a producer acquires additional acreage after the above acreage reporting date, then the acreage must be reported no later than 30 calendars days after purchase or acquiring the lease. Appropriate documentation must be provided to the county office.
- If a perennial forage crop is reported with the intended use of "cover only," "green manure," "left standing," or "seed," then the acreage must be reported by July 15th.

Noninsured Crop Disaster Assistance Program (NAP) policy holders should note that the acreage reporting date for NAP covered crops is the earlier of the dates listed above or 15 calendar days before grazing or harvesting of the crop begins.

Late-Filed 2015 Acreage Reports

The deadline for timely filing an acreage report in Montana for the 2015 program year was July 15, 2015. Acreage reports must be filed for all cropland on the farm before any 2015 ARC or PLC payments can be issued. For marketing assistance loans and LDP's, all cropland on the farm on which the crop pledged as loan collateral must be reported. Additionally, participants of the Conservation Reserve Program (CRP) and the Non-insured Crop Disaster Assistance Program (NAP) must report the specific acreage for which benefits are being requested.

Although the reporting deadline has passed for program year 2015, county offices will accept

late-filed acreage reports providing certain criteria are met, including the assessment of late-filed fees. Contact your local county office for additional information relative to late-filed acreage reports.

2015 CRP Annual Rental Payments

Montana producers have approximately 8,660 CRP contracts that cover more than 1.4 million acres of land. The voluntary program helps farmers and ranchers safeguard environmentally sensitive land and provides habitat for game and non-game species of wildlife. Beginning the first week of October, Montana CRP participants will receive approximately \$44 million in annual rental payments.

2014 ARC and PLC Payments

2014 program payments for the ARC and PLC programs were scheduled to begin after October 1, 2015. Program payments are determined based on the posted Marketing Year Average (MYA) for the applicable crop. If your farm is enrolled in ARC County (ARC-CO) or ARC Individual (ARC-IC), your payments will also be based on the county's 2014 actual yield and/or your individual 2014 yield for the applicable crop.

Final 2014 Marketing Year Average (MYA) prices have been posted for wheat, barley, oats, corn, grain sorghum, soybeans, dry peas and lentils. **2014 PLC payments did not trigger for any of these crops.** MYA prices for minor oilseeds and garbanzo beans are scheduled to be released on November 30, 2015; PLC payments for these crops will begin to be issued in December, if triggered.

2014 actual county yields have not yet been released. ARC-CO payments will begin to be issued once these yields are made available, providing that the MYA price has also been released for the applicable crop. ARC-IC payments may also be influenced by the 2014 actual county yields, so we are unable to begin the payment process for ARC-IC until these yields have been released.

Notification will be provided when prices and/or yields are made available and when any payments are triggered. If you have any questions about the ARC or PLC program payments for your farm, please contact your county office.

2015 Livestock Forage Disaster Program (LFP) Available in 19 Montana Counties

Producers in 19 Montana counties are eligible to apply for 2015 Livestock Forage Disaster Program (LFP) benefits on small grain, native pasture, improved pasture, annual ryegrass and forage sorghum. LFP provides compensation to eligible livestock producers who suffer grazing losses for covered livestock due to drought on privately owned or cash leased land or fire on federally managed land.

Eligible producers must own or lease grazing land physically located in a county affected by a qualifying drought during the normal grazing period for the county. County committees can only accept LFP applications after notification is received by the National Office of qualifying drought or if

a federal agency prohibits producers from grazing normal permitted livestock on federally managed lands due to qualifying fire.

Nineteen (19) Montana counties have met the drought criteria. Qualifying livestock producers with land in Madison County are eligible for one monthly payment. Producers in Beaverhead, Deer Lodge, Flathead, Glacier, Granite, Jefferson, Lake, Lewis and Clark, Lincoln, Mineral, Missoula, Pondera, Powell, Ravalli, Sanders, Silver Bow, Teton and Toole counties are eligible for four monthly payments.

For 2015 and subsequent years, eligible livestock producers must complete a CCC-853 and the required supporting documentation no later **Feb. 1, 2016**. Additional Information about LFP, including eligible livestock and fire criteria, is available at your local FSA office or online at: www.fsa.usda.gov.

LFP Factsheet

Emergency Assistance for Livestock, Honeybees and Farm- Raised Fish Program (ELAP)

The 2014 Farm Bill authorized ELAP to help producers with disaster losses for livestock, honeybees and farm-raised fish that are not covered by other livestock disaster programs, such as the Livestock Indemnity Program (LIP), Livestock Forage Program (LFP), Non-Insured Crop Disaster Assistance Program (NAP) and others.

The deadline for producers to make a 2015 application for ELAP benefits is **Nov. 2**, **2015.** Producers must submit all supporting documentation to substantiate losses, beginning and ending inventory, and other such documentation, as applicable.

ELAP - HoneybeeAssistance Factsheet

ELAP – LivestockAssistance Factsheet

ELAP - Farm-Raised Fish Assistance Factsheet

Margin Protection Program – Dairy Registration and Coverage Election Deadline – Nov. 20 Signup Deadline

The registration and coverage election deadline for MPP-Dairy has been extended to **Nov. 20**, **2015.** Furthermore, a change has been made in when the total premium fees must be paid. Effective immediately, for 2016 coverage, 100% of the total premium due must be paid by Sept. 1, 2016. Previously, producers had to pay a portion of the premium by Feb. 1st and balance by June 1st. With this change, producers have until **Sept. 1, 2016** to pay the entire premium due.

MPP-Dairy Factsheet

USDA Conservation Incentives for Working Grass, Range and Pasture Lands – Nov. 20 Signup Deadline

Signup for the Conservation Reserve Program (CRP) Grasslands began on Sept. 1. Farmers and ranchers can apply for financial assistance to help conserve working grasslands, rangeland and pastureland while maintaining the areas as livestock grazing lands. The initiative is part of the voluntary CRP, a federally funded program that for 30 years has assisted agricultural producers with

the cost of restoring, enhancing and protecting certain grasses, shrubs and trees to improve water quality, prevent soil erosion and reduce loss of wildlife habitat. In return, the USDA provides participants with rental payments and cost-share assistance.

The CRP-Grasslands initiative will provide participants who establish long-term, resource-conserving covers with annual rental payments up to 75 percent of the grazing value of the land. Cost-share assistance is available for up to 50 percent of the covers and other practices, such as cross fencing to support rotational grazing or improving pasture cover to benefit pollinators or other wildlife. Participants may still conduct common grazing practices, produce hay, mow, or harvest for seed production, conduct fire rehabilitation, and construct firebreaks and fences. FSA will accept applications on an ongoing basis beginning Sept. 1, 2015, with those applications scored nationally and approved based on the competiveness of the offer. The end of the first ranking period will be **Nov. 20, 2015.**

CRP-Grasslands Factsheet

Emergency Loans – Secretarial Disaster Designations in Montana

FSA's Emergency Loan Program is available for agricultural producers in counties designated as primary or contiguous natural disaster areas (See Map Below of 2015 Montana Designations by County). Contact your local FSA office for specific designations in your area and time frames to apply. 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 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.

Cumulative Disaster Designation Map for 2015

Emergency Loan Factsheet

Farm Loan Program Availability

FSA has a number of loan programs available to assist applicants to begin or continue in agricultural production. As a farmer or rancher, whether you are just starting out or have many years of experience, loans are available for farm operating purposes and/or to purchase or improve a farm or ranch. All qualified producers are eligible to apply for these loan programs. As the "Lender of First Opportunity" FSA targets some of the direct and guaranteed loan funds for beginning and/or underserved farmers or ranchers. For purposes of this program, a beginning farmer/rancher is defined as someone who started in farming or ranching less than 10 years ago; underserved individuals are women, African Americans, American Indians, Alaskan Natives, Hispanics, Asian Americans and Pacific Islanders. FSA loans are only available to applicants who meet all the eligibility requirements and are unable to obtain the needed credit elsewhere. For more information, contact your local FSA office who can schedule an appointment with the Farm Loan Program (FLP) staff serving your area and/or visit the National FLP Web site.

The Farm Storage Facility Loan Program (FSFL) allows producers of eligible commodities to obtain low-interest financing to build or upgrade on-farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with CCC providing a loan for the remaining 85 percent of the eligible net cost of the storage facility and permanent drying and handling equipment. FSA requires additional security for all loans exceeding \$100,000 or when the aggregate amount of FSFL loans exceeds \$100,000. Loan terms of 7, 10 or 12 years are available depending on the amount of the loan. Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Sign-up for the FSFL program is continuous throughout the year. All requests for FSFL prior to loan approval require a site inspection for an environmental assessment in accordance to National Environmental Protection Agency (NEPA) requirements showing no adverse impacts. FSFL policy requires the following actions cannot occur at the proposed FSFL location prior to the environmental assessment being completed:

- accepting delivery of equipment and/or materials in previously undisturbed areas
- site preparation or foundation construction in previously undisturbed areas
- no alteration to any structures that are 50 years old or older or within a historic district

If any of the above are completed prior to FSA completing the on-site assessment may impede the completion of the environmental assessment and eligibility for the FSFL. For more information about FSFL please visit your FSA county office or www.fsa.usda.gov.

FSFL Factsheet

MAL and LDP Policy Changes for Crop Years 2015-2018

The Agricultural Act of 2014 authorized 2014-2018 crop year Marketing Assistance Loans (MALs) and Loan Deficiency Payments (LDPs), with a few minor policy changes.

Among the changes, farm-stored MAL collateral transferred to warehouse storage will retain the original loan rate, be allowed to transfer only the outstanding farm-stored quantity with no additional quantity allowed and will no longer require producers to have a paid for measurement service when moving or commingling loan collateral.

MALs and LDPs provide financing and marketing assistance for wheat, feed grains, soybeans, and other oilseeds, pulse crops, rice, peanuts, cotton, wool and honey. MALs provide producers interim financing after harvest to help them meet cash flow needs without having to sell their commodities when market prices are typically at harvest-time lows. A producer who is eligible to obtain a loan, but agrees to forgo the loan, may obtain an LDP if such a payment is available. Marketing loan provisions and LDPs are not available for sugar and extra-long staple cotton.

FSA is accepting requests for 2015 MALs and LDPs for all eligible commodities after harvest. Before MAL repayments and LDP disbursements can be made, producers must meet the requirements of actively engaged in farming, cash rent tenant and member contribution.

Additionally, form CCC-902 and CCC-901 must be submitted for the 2014 crop year, if applicable, with a county committee determination and updated subsidiary files. To be considered eligible for an LDP, producers must have form CCC-633EZ, Page 1 on file at their local FSA Office before losing beneficial interest in the crop. Pages 2, 3 or 4 of the form must be submitted when payment is requested.

The 2014 Farm Bill also establishes payment limitations per individual or entity not to exceed \$125,000 annually on certain commodities for the following program benefits: price loss coverage

payments, agriculture risk coverage payments, marketing loan gains (MLGs) and LDPs. These payment limitations do not apply to MAL loan disbursements.

AGI provisions were modified by the 2014 Farm Bill, which states that a producer whose total applicable three-year average AGI exceeds \$900,000 is not eligible to receive an MLG or LDP. Producers must have a valid CCC-941 on file to earn a market gain of LDP.

For more information and additional eligibility requirements, please visit a nearby USDA Service Center or FSA's website www.fsa.usda.gov.

Payment Eligibility and Payment Limitation

Program payments are limited by direct attribution to individuals or entities. A legal entity is defined as an entity created under Federal or State law that owns land or an agricultural commodity, product or livestock. Through direct attribution, payment limitation is based on the total payments received by the individual, both directly and indirectly. Qualifying spouses are eligible to be considered separate persons for payment limitation purposes, rather than being automatically combined under one limitation.

Payments and benefits under certain FSA programs are subject to some or all of the following:

- payment limitation by direct attribution
- payment limitation amounts for the applicable programs
- · actively engaged in farming rule
- · cash-rent tenant rule
- foreign person rule
- average AGI limitations
- no program benefits subject to limitation will be provided until:
 *all required forms for the specific situation are provided
 - *necessary payment eligibility and Payment limitation determinations are made
- a farm operating plan is not required to be filed annually, if the farming operation continues to be conducted as reflected on the farm operating plan and supporting documents are on file in the County Office

If any changes occur that could affect any payment eligibility determination, producers must timely notify the County Office by filing revised farm operating plans and/or supporting documentation, as applicable. Failure to timely notify the County Office may adversely affect payment eligibility.

Adjusted Gross Income Limitation

The Agricultural Act of 2014 set in place an Average Adjusted Gross Income limitation of \$900,000. Compliance is certified on form CCC-941 and is based upon an average of the three years immediately preceding the most recent complete tax year. For example, for individuals or entities certifying compliance for the 2016 year, eligibility is based on the average of the Adjusted Gross Income (or comparable measure, as established by CCC) for the 2012, 2013, and 2014 tax years. The new AGI limitation applies to the following programs administered by FSA or NRCS: program year 2011 and subsequent years LIP, ELAP, LFP, and TAP; 2014 and subsequent years NAP, 2014-2018 ARC, PLC, LDP, MLG, and AMA; 2014 and 2015 transition assistance for producers of upland cotton; and 2015 and subsequent years Agricultural Conservation Easement Program, Conservation of Private Grazing Land Program, CSP, CRP, EQIP, Farmable Wetland Program, Grassroots Source Water Protection Program, Regional Conservation Partnership Program, and Voluntary Public Access and Habitat Incentive Program. The AGI limitation for conservation

programs may be waived on a case-by case basis if it is determined that environmentally sensitive land of special significance would be protected.

Receiving FSA/CCC Payments by Treasury Check

FSA/CCC makes payments electronically through a program called Direct Deposit. Direct Deposit is a safe, convenient, and reliable way to receive your FSA/CCC payment through a financial institution. A financial institution can be a bank, credit union, or thrift account. Many financial institutions offer basic, low-cost accounts in addition to full-service checking or savings accounts. If you currently receive your FSA/CCC payments by Treasury check, please contact your local county FSA office to complete a form SF-3881.

Customers to Receive Documentation of USDA Services

Local Offices Issue Receipts for Services Provided

FSA reminds agricultural producers that FSA provides a receipt to customers who request or receive assistance or information on FSA programs. As part of FSA's mission to provide enhanced customer service, producers who visit FSA will receive documentation of services requested and provided. From December through June, FSA issued more than 327,000 electronic receipts. The 2014 Farm Bill requires a receipt to be issued for any agricultural program assistance requested from FSA, the National Resources Conservation Service (NRCS) and Rural Development (RD). Receipts include the date, summary of the visit and any agricultural information, program and/or loan assistance provided to an individual or entity.

In some cases, a form or document – such as a completed and signed program enrollment form – serve as the customer receipt instead of a printed or electronic receipt. A service is any information, program or loan assistance provided whether through a visit, email, fax or letter. To learn more about FSA, visit www.fsa.usda.gov or to find your local USDA office, visit http://offices.usda.gov.

Register to Use the FSA Financial Services Website

FSA Financial Services Website allows producers to generate reports that show both current and historical financial information. Once a producer has signed up for an e-Authentication Level 2 account, the producer will have access to the Financial Services Website. Sign-up for an e-Authentication Level 2 account at FSA web site: www.eauth.egov.usda.gov. When obtaining a Level 2 account, you must complete a customer profile and submit online. Once your customer profile is submitted, you will receive a confirmation e-mail, and you must respond to it within 7 days to activate your account. Once completed, you must complete the "Identity Proofing" process by visiting a local USDA Service Center and presenting a photo ID, such as your driver's license, state or tribal ID.

USDA Commits \$2.5 Million to Expand New Farmer Education

USDA has announced that \$2.5 million in grants is now available for projects to educate new and underserved farmers about more than 20 Farm Service Agency (FSA) programs that can provide financial, disaster or technical assistance to the agricultural community.

The grants will be awarded to nonprofits and public higher education institutions that develop proposals to improve farmer education on topics such as financial training, value-added production, recordkeeping, property inheritance, and crop production practices.

USDA will conduct four evaluation periods to review applications, with the deadlines of Nov. 20, 2015, Jan. 22, 2015, Mar. 18, 2016, and May 27, 2016. Awards between \$20,000 and \$100,000 per applicant will be available. To learn more about the funding solicitation and the related Farm Service Agency programs, details can be found at www.grants.gov with the reference number USDA-FSA-CA-2015-001. Additional information is posted on the Web at www.fsa.usda.gov/outreach.

Important Dates and Deadlines

Nov. 2: 2015 Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP) Application for Payment Deadline

Nov. 9: County Committee Election Ballots will be Mailed to Eligible Voters

Nov. 12: All Hay Bales Must be Removed from CRP

Nov. 16: 2016 Acreage Reporting Deadline for Apiculture, Perennial Forage, Pasture, Rangeland & Forage (PRF) including Native Grass, Fall Wheat (Hard Red Winter – HRW), and all other Fall-Seeded Small Grains

Nov. 16: Deadline for 2015 NAP Production Reports for Annual Fall-Seeded Crops, Perennial Forage, Mixed Forage Crops, Rye, Speltz, Triticale, Wheat and Garlic

Nov. 20: Application Deadline for CRP Working Grass, Range and Pasture Lands Initiative

Nov. 20: Last day of the Registration/Coverage Election Period for 2016 MPP-Dairy Program

Dec. 1: 2016 NAP Application Closing Date for Honey Producers

Dec. 1: CRP General Signup Begins

Dec. 7: Last Day to Return Voted County Committee Election Ballots to FSA at the local USDA Service Center

Ongoing Notice of Loss Requirements:

NAP: Submit Notice of Loss within 15 calendar days of the earlier of a natural disaster occurrence, the final planting date if planting is prevented by a natural disaster, the date that damage to the crop or loss of production becomes apparent; or the normal harvest date.

ELAP: Submit Notice of Loss the earlier of 30 calendar days of when the loss is apparent or Nov. 1st (Nov. 2nd for 2015 losses) after the end of the program year in which the loss occurred.

Livestock Indemnity Program (LIP): Submit Notice of Loss within 30 calendar days of when the loss is apparent.

Tree Assistance Program (TAP): Final Date to Submit an Application and Supporting Documentation is the later of 90 calendar days of the disaster event or the date when the loss is apparent.

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).